

THE AMERICAN ELEVATOR AND GRAIN TRADE

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Established 1886

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Mitchell Brothers Publishing Co.

A MONTHLY JOURNAL DEVOTED TO THE ELEVATOR AND GRAIN INTERESTS.

One Dollar Per Annum
SINGLE COPIES, 15 CENTS

VOL. XLIV

431 South Dearborn Street, Chicago, Ill., October 15, 1925

NO. 4

Of Course

We want your business but we want it on a basis that will pay you as well as ourselves. We want it because we have proper facilities for handling it.

Don't be satisfied with slow returns or poor service; send your shipments to

McKENNA & DICKEY

GRAIN

60 Board of Trade
CHICAGO

GRAIN DRIERS
FEED MIXERS
FEEDERS
STEAM COILS
COOKERS
MOLASSES HEATERS
SPECIAL DRY-



THE ELLIS DRIER COMPANY

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CHICAGO, U. S. A.

ROTARY DRIERS
TRUCK DRIERS
STERILIZERS
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STEAM TRAPS
OAT BLEACHERS
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WHY-A-LEAK —STOP IT—

BAD ORDER CARS

cause the loss of many hard earned dollars to shippers of grain and seed.

MUCH OF THIS LOSS can be saved by the use of Kennedy Car Liners. These car liners practically condition a bad order car and enable shippers to load cars that otherwise would be rejected.

KENNEDY SYSTEM of car liners prevents leakage in transit and are made for all cases of bad order cars, consisting of full Standard Liners, End Liners and Door Liners.

WILL YOU NOT give us an opportunity to submit full details of our system and the low cost for this protection?

THE KENNEDY CAR LINER & BAG COMPANY

SHELBYVILLE, IND.

Canadian Factory at Woodstock, Ontario

WHEN YOU NEED DRIED BUTTERMILK

WRITE OR 'PHONE US FOR

Quality Product, Attractive Prices, Fresh Stock at Convenient Points

Let us help you on

FEED FORMULAS

FEED PLANT ENGINEERING

S. T. EDWARDS & CO. 110 S. Dearborn St.
CHICAGO

"THE CLIMAX" SCOOP TRUCK

CAPACITY { 200 Lbs. Coal
 { 2½ Bushels Grain

Can easily add Twenty-Five cents an Hour to the value of a man's time who uses it in unloading Coal or Grain from box cars.

Hence, in two weeks' use the Scoop-Truck will pay for itself and cost you nothing for its use thereafter.

It will last for years and save the wearing out of a dozen common scoops in doing a like amount of work.

Hundreds have tried it and will certify to the truth of these statements. Why not order now and let the Scoop-Truck be giving itself to you?

Patented July 30, 1907

PRICE: \$15.00 F. O. B. cars at factory

Detroit Scoop Truck Co., 993 Osborne Place, Detroit, Mich.

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President

H. S. KNAPP
Sec'y and Treas.

LAKE VIEW IRON WORKS

1226-1236 School Street

Fabricators of all Classes of Steel and Iron

We specialize in steel for grain elevator construction work.

Marine Towers—Hoppers—Stairs, Etc.

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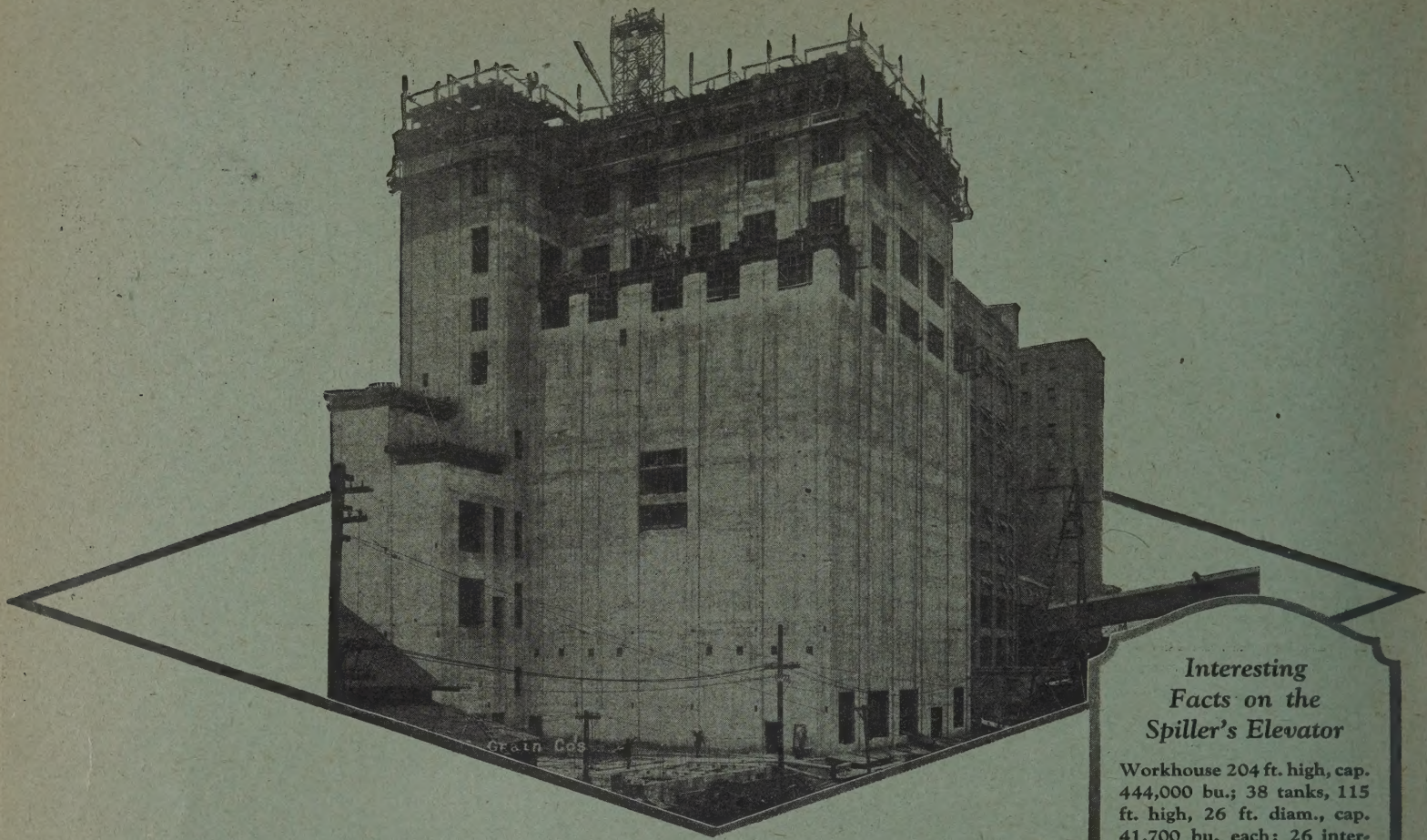
Designer and Builder
of
Grain Elevators
DECATUR, ILL.

JONES-HETTELSATER CONSTRUCTION CO.

Designers and Builders

MILL BUILDINGS :: ELEVATORS
FEED PLANTS

708-9 Mutual Building, Kansas City, Mo.



*Interesting
Facts on the
Spiller's Elevator*

Workhouse 204 ft. high, cap. 444,000 bu.; 38 tanks, 115 ft. high, 26 ft. diam., cap. 41,700 bu. each; 26 interspace bins, 10,000 bu. cap. each. Total cap. plant over 2,200,000 bu. The speed with which the Spiller's Elevator was erected is claimed as a world's record for this type of structure.

Great New Canadian Elevator installs Two Miles of Diamond Grain Belts

The last word in grain handling efficiency was wanted—hence the specification of Diamond Belting.

The Spiller's Elevator (Vancouver Terminal Grain Co.), simply follows the lead of other recent gigantic installations.

Actual performance alone counts and the steady, reliable, all-around superiority of Diamond Grain Belt Service has brought striking recognition of its value. Write our nearest Branch office for further information.

THE DIAMOND RUBBER COMPANY, Inc., Akron, Ohio

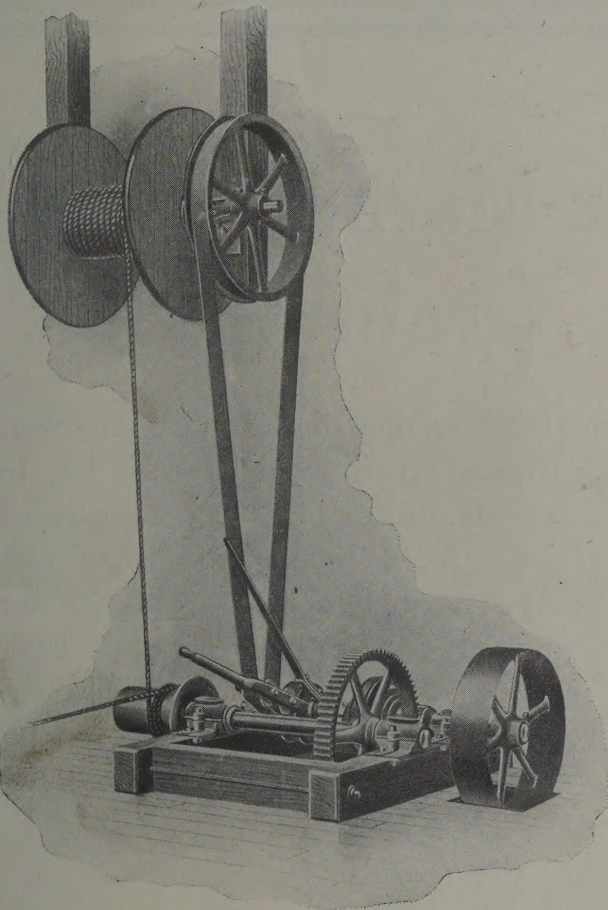
Atlanta	Boston	New York	Kansas City	Philadelphia
Chicago	Dallas	Seattle	Los Angeles	San Francisco

Diamond

Elevator and Conveyor Belts

Nordyke & Marmon Company

POWER CAR PULLER



For convenience in spotting empty cars and moving single or trains of loaded cars, the Nordyke & Marmon Company Spur Gear Car Puller, pictured above, will be found most useful and dependable.

It is built in three sizes ranging in capacity from one to twenty loaded cars on level track, and is supplied either with or without rope winding spool and attachments. Plain jaw or friction clutch release on drive shaft is optional.

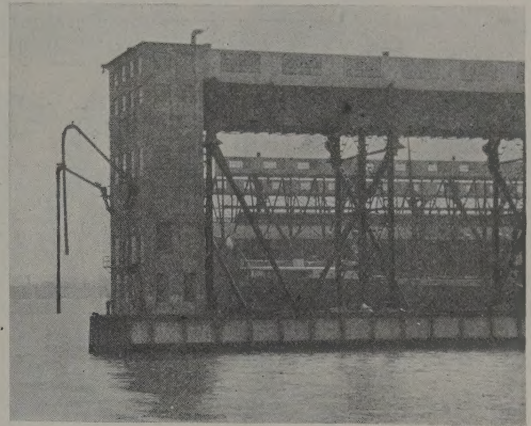
NORDYKE & MARMON COMPANY

Established 1851

Indianapolis

Indiana

AMERICA'S LEADING MILL BUILDERS



Airveyor Marine Tower of the Baltimore and Ohio Terminal Elevator, Baltimore, Maryland.

The Airveyor is the standard pneumatic conveying system for grain.

Designed and installed by the

Guarantee Construction Company

139 Cedar Street, New York City

Send us your inquiries

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COLD WEATHER FIRES
ARE CAUSED BY DEFECTIVE

STOVES AND CHIMNEYS!

MAKE YOUR HEATING EQUIPMENT
SAFE NOW

Write for Specifications

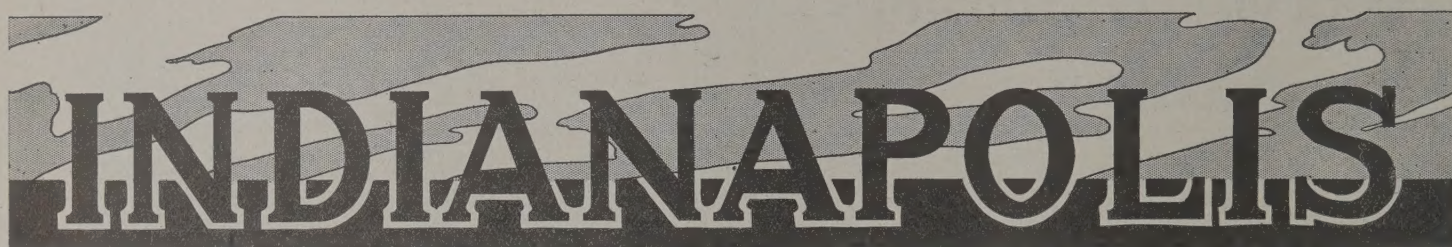
Mutual Fire Prevention Bureau

230 E. Ohio St.

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Representing

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INDIANAPOLIS

Indianapolis—Your Market—A Three Times Greater Grain Market

Indianapolis, the center of grain centers, is known today as one of the most important, rapidly growing grain and hay markets in the country. Receipts of grain during the last ten years have nearly trebled in volume, due to the advantages its geographical location offers to the grain and hay producing and consuming sections of the country, its splendid railroad facilities assuring prompt returns on shipments, its large local consumption of grain by its corn and flour mills and its manufacturing industries, its increased elevator storage and drying equipment, its adequate weighing facilities and efficient inspection department. This has made Indianapolis more and more important each season for shippers and buyers of grain, hay and feed.

Movement of Grain and Hay During the Year 1924

	Receipts	Shipments
Corn	18,013,000 bushels	13,483,000 bushels
Oats	11,744,000 bushels	10,009,000 bushels
Wheat	5,018,000 bushels	2,635,000 bushels
Rye	262,000 bushels	157,600 bushels

The following Receivers and Shippers are members of
Indianapolis Board of Trade

The Cleveland Grain Co.
OPERATING FIVE TERMINAL ELEVATORS
Mighty Good Consignment Service
Ed. K. Shepperd, Manager

JAMES E. BENNETT & CO.
GRAIN, STOCKS, COTTON
MEMBERS
New York Stock Exchange
Chicago Board of Trade
and other leading exchanges.
Cash Grain Shipments Solicited
Indianapolis branch at 718 Board of Trade

H. E. Kinney Grain Co.
COMMISSION—BROKERAGE



The Bingham Grain Company
Receivers and Shippers of
G R A I N



WELLER EQUIPMENT

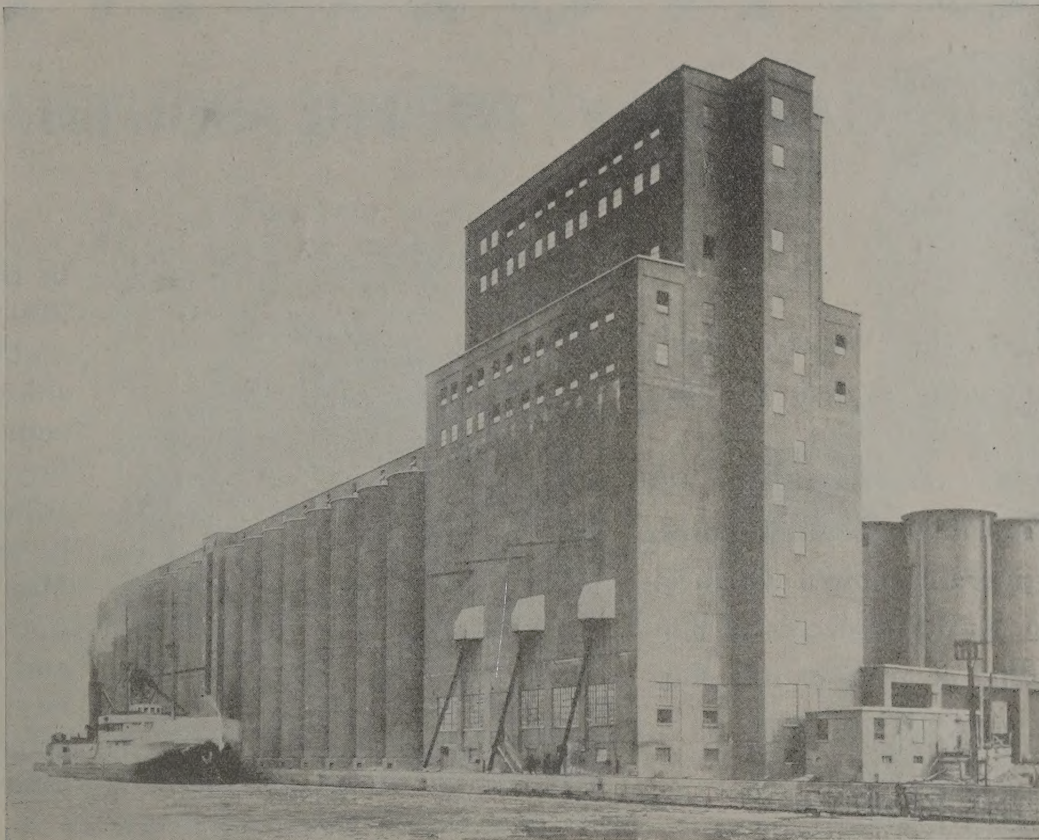
The Better Kind of Grain Handling Machinery



WE MAKE

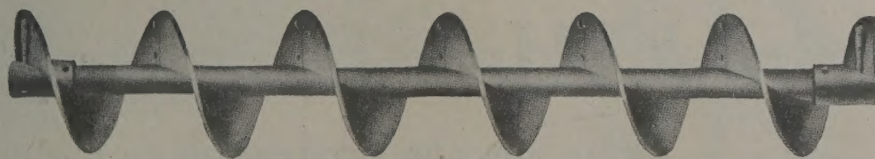
Apron Conveyors
Belt Conveyors
Drag Conveyors
Pan Conveyors
Mixing Conveyors
Spiral Conveyors
Trippers
Bucket Elevators
Elevator Buckets
Elevator Boots
Elevator Casing
Elevator Heads
Sack Elevators
Barrel Elevators
Elevator Spouts
Loading Spouts
Dock Spouts
Chain
Sprockets
Grain Cleaners
Truck Dumps
Wagon Dumps
Truck Hoppers
Power Shovels
Car Pullers
Rope Drives
Gears

Power Transmitting
Machinery



Weller made products are sold on the basis of quality. Installed in your elevator they will help you to operate at full capacity at the lowest cost for upkeep. Frequent shutdowns and waiting for repairs dissipate your profits.

WELLER SPIRAL CONVEYORS



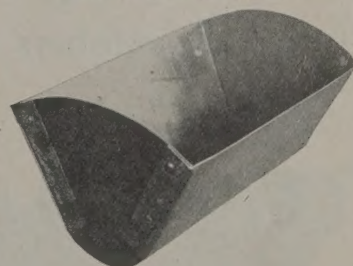
Cold Rolled Steel Sectional Flights. Wear Long. Evenly Balanced. Run True. Interchangeable with All Standard Makes.

We Also Make

Aluminum, Brass, Cast Iron, Copper, Galvanized, Monel Metal and Tinned Spiral and Ribbon Conveyors

Send Us a List of Your Requirements We Will Quote Prices

WELLER SUPER-CAPACITY ELEVATOR BUCKETS



Increase the capacity of your Elevator. Perfect discharge at low or high speed. Substantially constructed of heavy sheet steel, riveted at each corner and spot welded on the laps. Reinforced with extra thickness of steel on the back.

Descriptive Circular On Request.

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ST. LOUIS

OMAHA

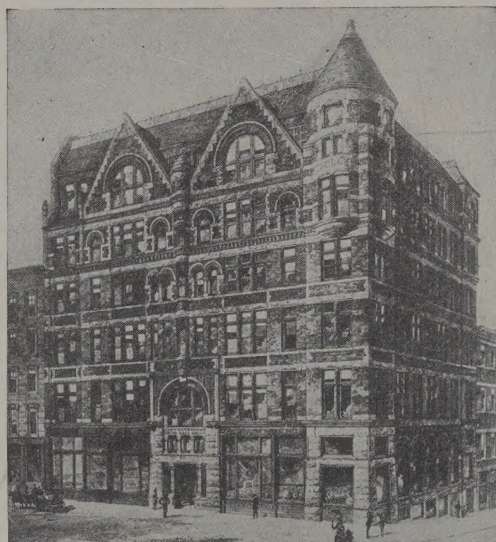
SALT LAKE CITY

CINCINNATI

THE GATEWAY TO THE SOUTH AND EAST

Has the "square deal" plugging system for hay.

Has reconsignment and transit privileges and other favorable points which insures most successful handling of grain or hay shipments.



Home of the Cincinnati Grain and Hay Exchange

Is the terminal point for 200,000 miles of railways and therefore a convenient shipping point for the country dealer, and local buyers are enabled to distribute all products quickly and to best advantage. Has weighing and inspection service second to none and up-to-date grain and hay merchants constantly safeguarding their patrons' interests.

Those are just a few of the reasons why you should ship your Grain and Hay to Cincinnati. Ship to any of the following responsible grain and hay firms, all members of the

Cincinnati Grain & Hay Exchange

DE MOLET GRAIN CO., Grain and Hay

A. C. GALE & CO., Shippers of Choice Milling Wheat

CLEVELAND GRAIN & MILLING CO., Grain

EARLY & DANIEL CO., Hay, Grain, Feed

SCHOLL GRAIN CO., Grain Exclusively

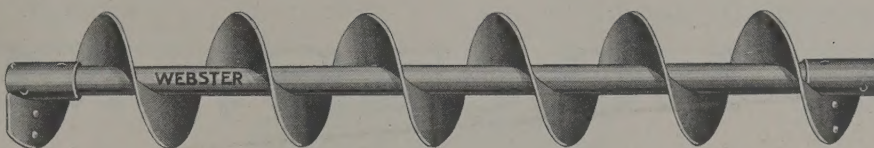
PERIN, BROUSE, SKIDMORE GRAIN & MILLING CO., Grain, Hay, Feed

MUTUAL COMMISSION COMPANY, Strictly Commission

THE FITZGERALD BROS. CO., Commission Merchants, Receivers and Shippers of Grain and Hay



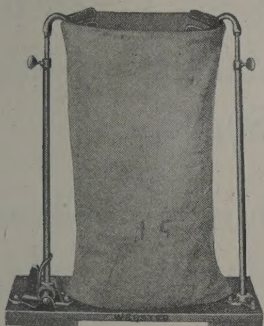
Buffalo Elevator Bucket



Steel Screw Conveyor



Empire Elevator Bucket



Mosher Bag Holder

Webster Grain Handling Equipment

WHETHER your requirements are for elevator buckets, sprockets, chains, bearings, friction clutches, elevator boots, car pullers, grain scoops, power shovels, or complete equipment for handling grain, flour and feed, Webster offers you an opportunity to obtain the best.

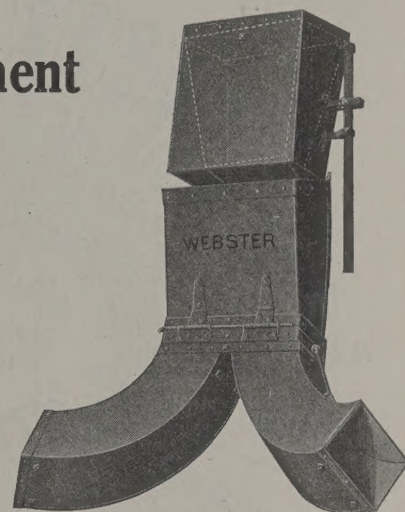
Our forty-nine years' experience in designing and manufacturing grain handling equipment has enabled us to produce only that which is recognized as superior.

No matter what your grain handling problem is, Webster equipment, plus our engineering staff, will more than likely lead you out of your difficulties. Catalog showing our complete line of grain handling equipment sent on request.

THE WEBSTER MFG. COMPANY

4500-4560 Cortland St.

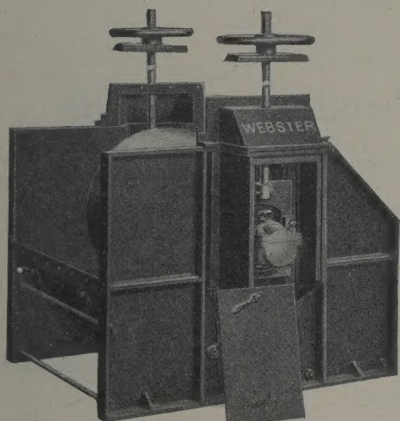
CHICAGO



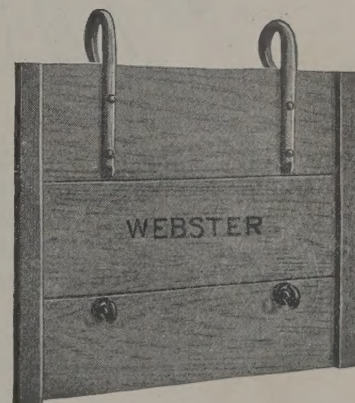
Car-Loading Spout



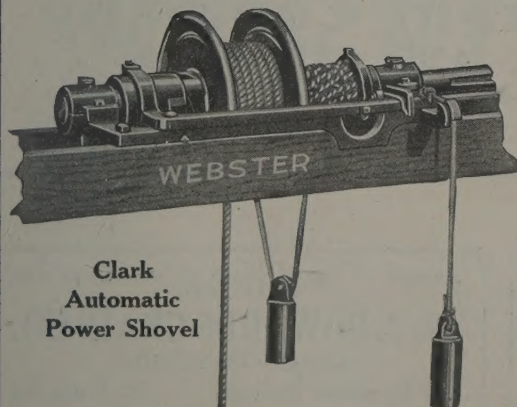
Champion Flour Scoop



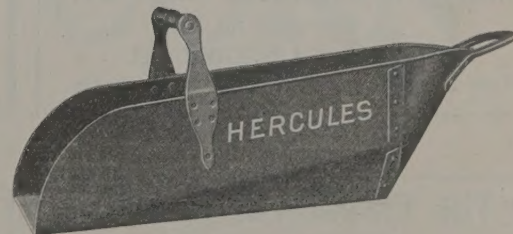
Elevator Boot



Power Shovel Scoop

Clark
Automatic
Power Shovel

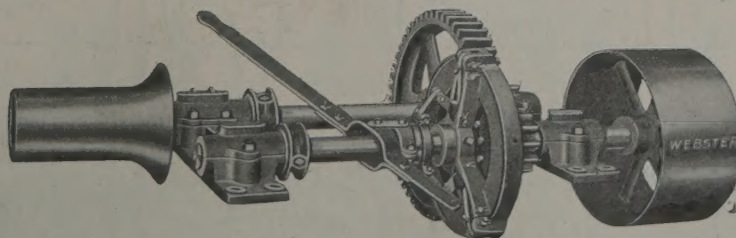
Sprocket Wheel



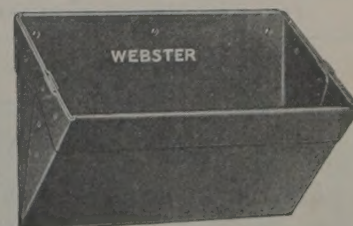
Hercules Grain Scoop



Salem Elevator Bucket

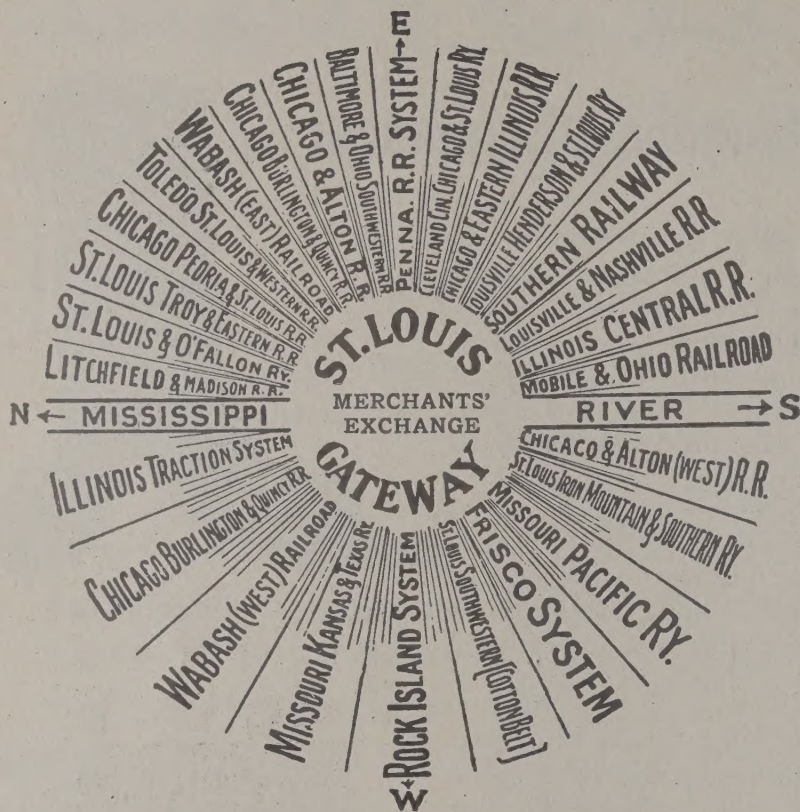


Car Puller



Minneapolis "V" Elevator Bucket

ST. LOUIS, MO.



Within a radius of 25 Miles—Center of Corn Production.
Within a radius of 250 Miles—Center of Oat Production.
Within a radius of 135 Miles—Center of Farm Area.
Within a radius of 100 Miles—Center of Farm Valuation.
Within 175 Miles—Center of Population, United States.

St. Louis One of the Greatest Primary Grain Markets in the United States

More than One Hundred Million
Bushels of Grain Received
Annually

Movement of Grain by Barge from St. Louis to New Orleans for Export a Factor in Grain Trade

St. Louis Leading Consignment Market in United States

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President Vice-President Sec'y & Treas.

Martin & Knowlton Grain Co.

Successors to

GOFFE & CARKENER CO.

Suite 516 Merchants Exchange, St. Louis, Mo.

Toberman Grain Company

GRAIN, HAY AND SEEDS

A long established house, energetic, enterprising and alert for your interests.

Let us handle your consignments

300 Merchants Exchange

ST. LOUIS, MO.

“THE CONSIGNMENT HOUSE OF ST. LOUIS”

GRAIN, HAY and GRASS SEEDS

Picker & Beardsley Com. Co.

125 MERCHANTS EXCHANGE

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(INCORPORATED)

GRAIN AND HAY

202 Chamber of Commerce

**Write Us for Full
Information on
St. Louis Markets**

ST. LOUIS

Consignments a Specialty

**BUYERS OF TRACK GRAIN OF ALL KINDS AND
MILL FEED**

W. J. EDWARDS GRAIN CO.

GRAIN COMMISSION

504 Merchants Exchange St. Louis, Mo.

Carefully Selected Milling Wheat and Corn Our
Specialty

GRAIN

MARSHALL HALL GRAIN COMPANY

HANDLED ON COMMISSION
BOUGHT TO ARRIVE
SOLD FOR SHIPMENT
EXPORT

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ST. JOSEPH

For Milling Wheat

Come to St. Louis

Best Grades of Soft Winter and Hard Red Wheat always available. Millers for years have found the St. Louis Market most satisfactory for wheat supplies.

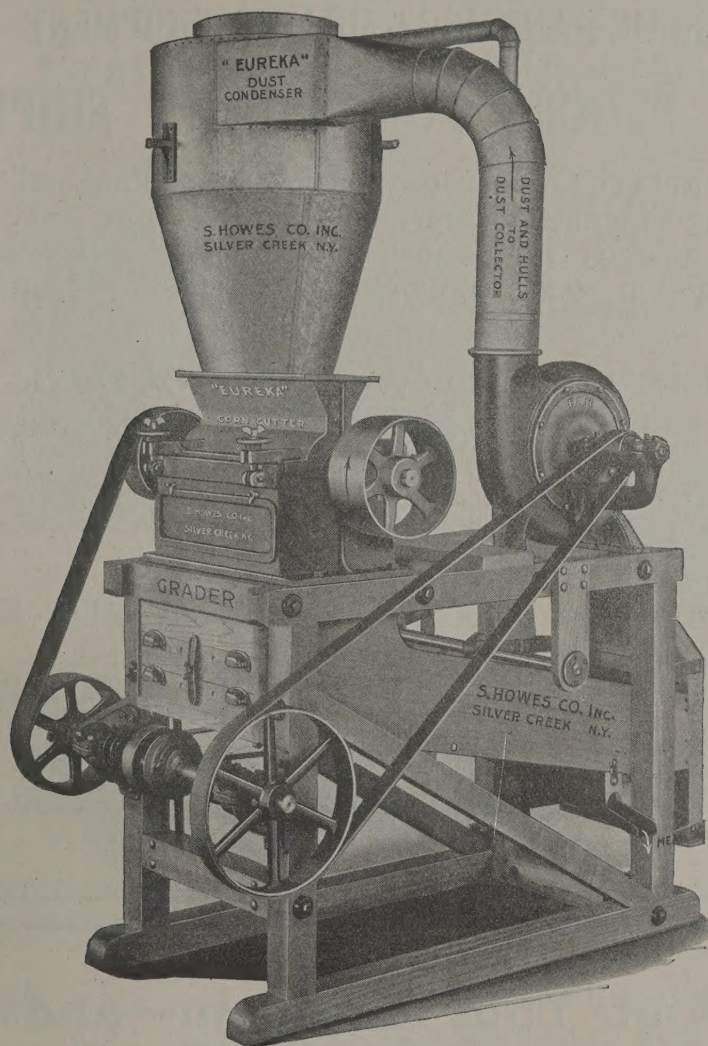
The Winter Wheat Market



"Eureka" - "Invincible" Grain Cleaning Machinery



"Eureka"



"Eureka"

Pictured before you is a combination, all-in-one machine,—a complete, self-contained milling system for producing

STEEL-CUT CORN

of the finest quality

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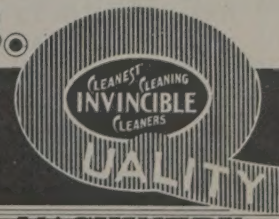
Dwight Dill,
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Dallas, Tex.

B. M. Estes,
1429 Allston St.,
Houston, Tex.

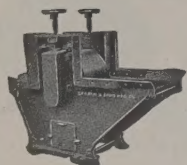
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413 So. Third St.,
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S. HOWES CO., Inc.

INVINCIBLE GRAIN CLEANER CO. SILVER CREEK, N.Y.



"EUREKA" - "INVINCIBLE" GRAIN CLEANING MACHINERY



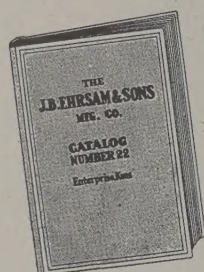
“EHR SAM”

GRAIN HANDLING & MILLING EQUIPMENT

LARGE STOCKS FOR PROMPT SHIPMENT

WHEN you are in a rush for Grain Handling and Milling Equipment, remember we are here to serve you—and quickly. Large stocks of standard parts always on hand and on special equipment, our service will surprise you.

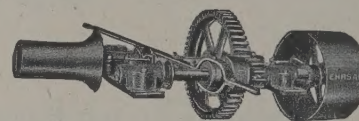
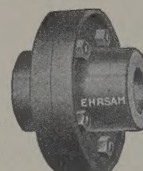
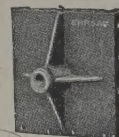
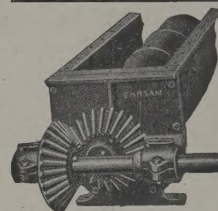
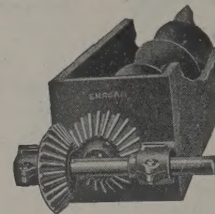
SEND FOR THIS VALUABLE CATALOG



Every elevator and mill operator should have a copy of this valuable catalog. Besides showing the complete line of “Ehram” Grain Handling and Milling Equipment, it also contains data of much value to every operator. We suggest that you write for your copy today.

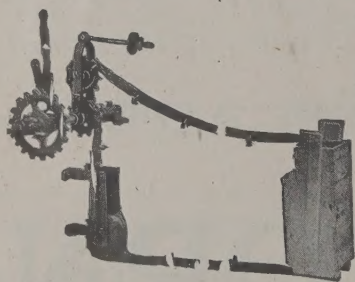
J. B. EHR SAM & SONS MFG. CO.
ENTERPRISE, KANS.

Manufacturers of Machinery for Flour Mills; Grain Elevators; Cement Plaster Mills; Salt Plants; Coal Handling and Rock Crushing Systems; Fertilizer Factories; Power Transmission, Elevating & Conveying Equipment



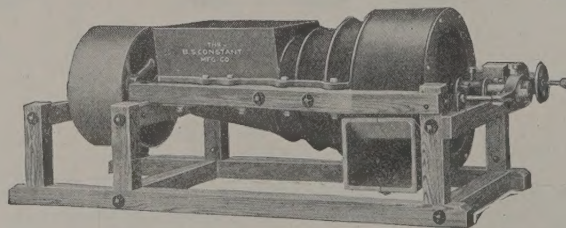
Get Your Grain in—and the Farmer Out—in a Hurry. The Cost Is No More.

Here is your combination for speed and insurance against the costly “Choke-up.”



We build our chain feeders to deliver the capacity of U. S. sheller which is sufficient endorsement of durability and capability.

The U. S. Chain Conveyor and Feeder
The U. S. Pitless Corn Sheller
The U. S. “V” Type Elevator Bucket

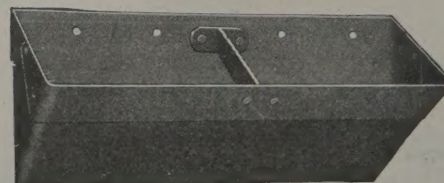


The “V” bucket completes a U. S. Sheller installation by giving the increased elevating capacity required. Manufactured in all sizes with dies stamping the bucket at one operation from a single sheet of metal.

Priced accordingly

Statement by Owner

“The U. S. Sheller has devoured everything from cog wheels to 40 feet of drag chain and seems to like it. Leaves the cobs cleaner and in better size than other shellers we are operating.”



CONSTANT XXth CENTURY CORPORATION

Manufacturers of Grain Elevator Equipment and XXth Century Flour Mills

BLOOMINGTON, ILL.



Manchester Ship Canal Elevator
Manchester, England
Capacity 1,500,000 Bushels
Completed 1914



Buenos Aires Elevator Co.
Buenos Aires, Argentina
Capacity 750,000 Bushels
Completed 1920

John S. Metcalf Co. Grain Elevator Engineers



Chicago & North Western Railway Elevator
South Chicago, Illinois
Capacity 10,000,000 Bushels
Completed 1920

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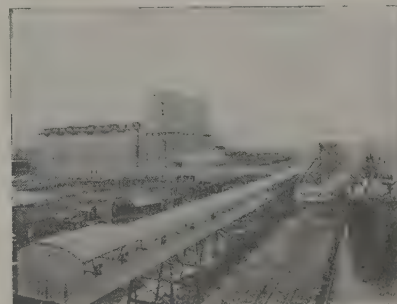
Chicago, Illinois, - - - 108 S. La Salle Street
Montreal, Canada, - 54 St. Francois Xavier Street
Melbourne, Australia, - - 395 Collins Street
Vancouver, B. C., - - - 837 W. Hastings St.



Harbour Commissioners Elevator No. 2
Montreal, Quebec
Capacity 2,600,000 Bushels
Completed 1912



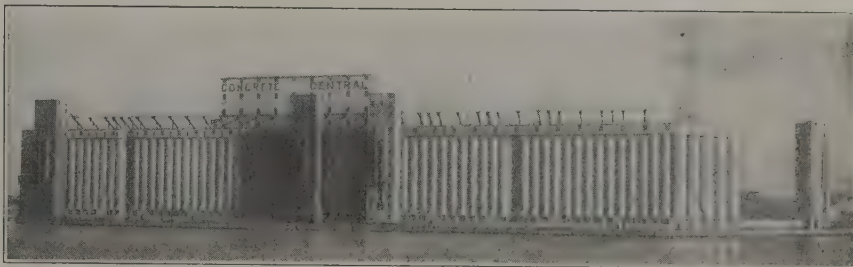
Sydney Terminal Elevator
Sydney, Australia
Capacity 6,400,000 Bushels
Completed 1921



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Built Elevators
Assure You
Economical Design
First Class Work
Efficient Operation
and
Satisfaction
Let Us Submit
Designs and Prices

One of the Modern Houses Which Has Made a Record
for Rapid and Economical Handling
CONCRETE CENTRAL, BUFFALO, 4,500,000 Bu.



MONARCH ENGINEERING CO.

BUFFALO, N. Y.



The Barnett & Record Company GENERAL CONTRACTORS

Designers and Builders of

Grain Elevators, Flour Mills and Heavy Structures

Reinforced Concrete and Steel Ore Dock constructed at Superior, Wisconsin, for the Allouez Bay Dock Company. Entirely Fireproof.

Write for Designs and Estimates

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Duluth, Minn.

For. William, Ontario

MACDONALD ENGINEERING COMPANY

CONSTRUCTING ENGINEERS

Designers and Builders of

**GRAIN ELEVATORS, FLOUR
MILLS, WAREHOUSES, ETC.**

We Have Specialized in

**CONSTRUCTION IN THIS FIELD FOR
MORE THAN 40 YEARS**

Sketches and Estimates Gladly Furnished

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53 West Jackson Boulevard, Chicago

BALTIMORE KANSAS CITY SAN FRANCISCO TORONTO

FOLWELL-AHLSKOG CO.

Engineers and Contractors

Designers and Builders

OF

**Grain Elevators, Flour Mills, Industrial Plants, and other
Engineering Works**



PENNSYLVANIA RAILROAD COMPANY ELEVATOR, ERIE, PA.

1,250,000-bushel Concrete Workinghouse and 25,000-bushel Marine Tower. Reinforced Concrete. Latest improvements. Write us for designs and estimates.

323 N. MICHIGAN AVE., CHICAGO, ILL.

Auxiliary Storage—Bargain Prices

Shipment Made Same Day Order Is Received

Any capacity auxiliary storage is easy to add to mill or elevator with the Bolted Grain Tanks listed below. Capacities of these tanks may be increased as desired, simply by adding other rings or sections. Ordinary mechanical labor can erect them—full blueprints and directions furnished. Or we can furnish experienced erectors.

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8 Tanks—Capacity each, 2200 Bu.

Weight, each, 9,300 lbs. Price, each, \$410.00, F. O. B. K. C. 12 ft. 8 in. diameter x 18 ft. 6 in. high. Lower 10 ft. No. 12 gauge—balance No. 14 gauge—No. 16 gauge roof. Inside ladder. All seams bolted with $\frac{3}{8}$ " x $\frac{3}{4}$ " bolts on $1\frac{1}{4}$ " centers. Packing in seams.

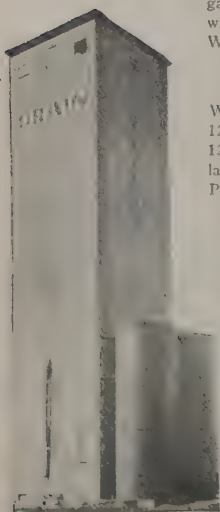
2 Tanks—Capacity each, 1360 Bu.

10 ft. diameter x 18 ft. 6 in. high. Lower 10 ft. No. 12 gauge—balance No. 14 gauge—16 gauge roof. Inside ladder. All seams bolted with $\frac{3}{8}$ " x $\frac{3}{4}$ " bolts on $1\frac{1}{4}$ " centers. Packing in seams. Weight, each, 3,300 lbs. Price, each, \$145.00 F. O. B. K. C.

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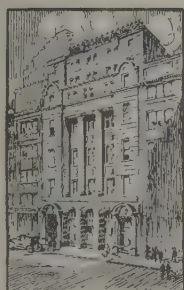
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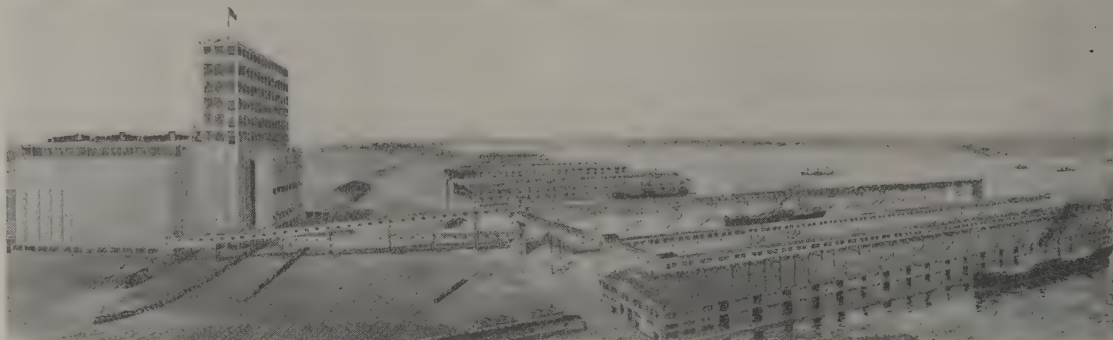
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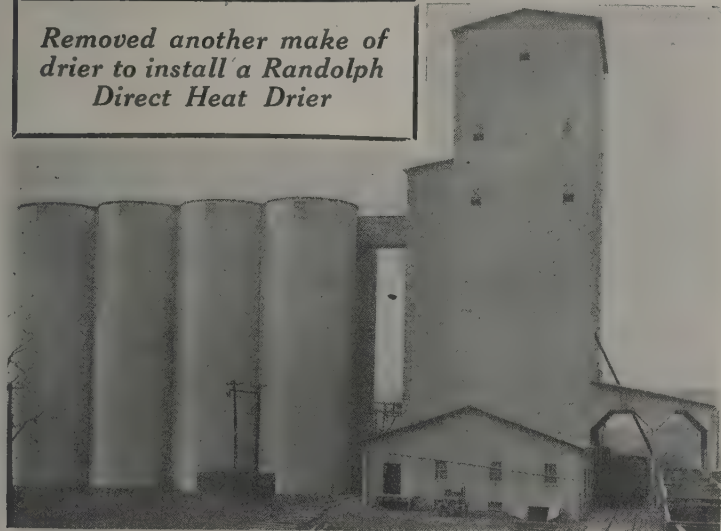
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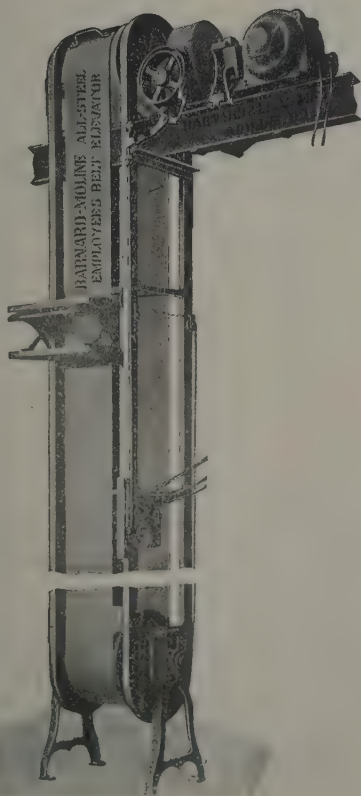
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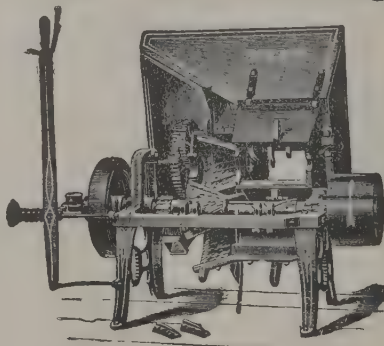
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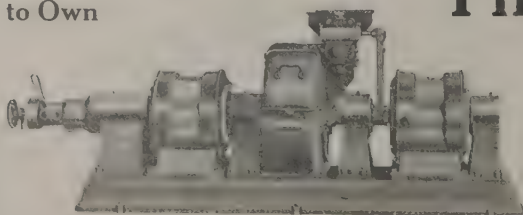
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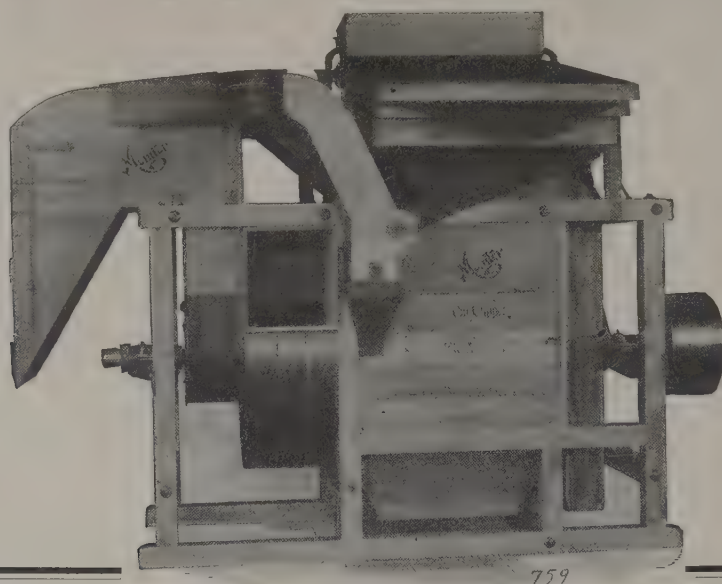
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Official paper of the Grain Dealers' National Association and of the Illinois Grain Dealers' Association.

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THE AMERICAN

ELEVATOR AND

GRAIN TRADE



Published on the fifteenth of each month by Mitchell Bros. Publishing Co., 431 So. Dearborn St., Chicago, Ill.

Subscription price, \$1.00 per year.
English and Foreign subscription, \$1.75 per year.

Established in 1882.

VOL. XLIV

CHICAGO, ILLINOIS, OCTOBER 15, 1925

NO. 4

Largest Kansas City Elevator Adds Another Unit

Addition to the Santa Fe Argentine Elevator "A" Affords Rapid Handling and Makes It Largest Elevator in the Southwest

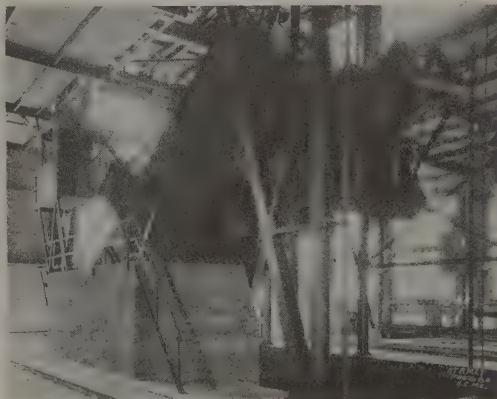
THAT the terminal storage facilities at Kansas City needed substantial increase as to capacity has been known for some time. With the growing importance of the Southwest in the grain world, the existing storage units have gradually been outgrown and it has become evident that more space would be a necessity. Additions have been made from time to time and some of the largest elevators, despite these additions have found that if they had greater capacity it could be used.

One of the large plants at this point which has just recently completed a very important addition is Santa Fe Elevator "A", at Argentine, Kansas City, Kan. Less than 10 years ago an addition to this elevator was erected, giving it a capacity of 6,500,000 bushels. John S. Metcalf Company provided the plans and specifications for the addition at that time, and it rests on a solid concrete slab, supported by 7,000 piles and covers a ground space measuring 150 by 420 feet. This first addition contained 44 tanks with combined capacity of 3,500,000 bushels. The bins have an inside diameter of 37 feet, and are 78 feet in height.

The tanks of the addition erected in 1915 are reached from the old working house by two overhead galleries, each containing two 36-inch belts which are capable of conveying 30,000 bushels per hour. Four tunnels run underneath the tanks to the working house with four belts of the same capacity as those above. The belt gallery has a structural steel frame, with concrete roof and floors and a covering of corrugated iron. This unit has a Hess Drier, comprising four units, which has a capacity of 50,000 bushels of corn daily. It occupies a building 100 feet long and 64 feet wide.

With this preliminary survey of the older portion of Santa Fe Elevator "A", it is easy to see that

even before the present addition was erected the plant was a large one. The completed plant as it stands today is the largest elevator in Kansas City and the second largest in the United States. It is operated by the Davis-Noland-Merrill Grain Company. They have one of the most rapid plants in the Middle West now that the new unit is in operation, as the legs are all of exceptionally large capacity.



METCALF CAR DUMPER AT SANTA FE "A" PLANT

ity. The mechanical means which are available are unusually complete and no expense has been spared in fitting the elevator for its purpose. With the large crop of the current year in the Southwest, the addition just completed will represent an important item in disposing of the storage problem in and around Kansas City.

The new part of the elevator is a head house at the opposite end of the storage tanks from the old working house and its auxiliary buildings. It is of

the modern daylight type of construction, and is a reinforced concrete structure. The Atchison, Topeka & Santa Fe Railroad has put in new sidings and a complete yard with ample switching facilities on this end of the plant, so that the new unit is well taken care of in the matter of transportation and necessary rail connections.

As will be seen in the accompanying illustration, there are six cupola floors. The dimensions of the working house are considerably greater than were the old house measurements. It is a building 194 feet in length and 61 feet 4 inches in width. The dumper shed measures 226 feet long and over 102 feet wide. All buildings are well lighted and exceedingly well ventilated, as the window area is as great as possible consistent with engineering practice, and the windows have been arranged in such a way that the fullest advantage of daylight may be taken at all times.

In addition to the working house and dumper shed, there are several other auxiliary units in the new part of the elevator. There is a two-story brick office building, which combines with its functions as an office the requisite facilities of a welfare building. The furniture and fixtures of this unit will be up-to-date and in keeping with the general high standards set in construction. There is also a shop and boiler room, and a brick dust house located at one side. There is a large outdoor sub station, and the plant boasts a large concrete stack.

The storage capacity of the new part of the plant is 500,000 bushels. It has a receiving capacity of about 300 cars in 10 hours. In order to handle the necessary volume with ease eight car spouts have been provided. There are 15 legs in the new unit and there are six in the storage proper.

The complement of machinery is comprehensive



THE SANTA FE ELEVATOR "A" AT ARGENTINE, KANSAS CITY, KAN., SHOWING RECENT ADDITION TO OLD PLANT

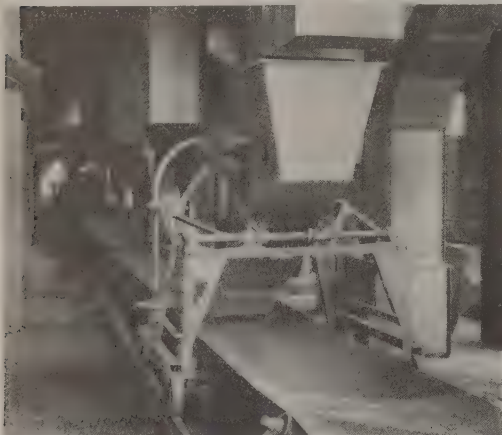
and nothing has been overlooked in preparing to meet all normal terminal elevator needs. Four Monitor Clippers are included among the installations, and there are also four Monitor Separators. In the cupola is one more separator. An Ellis Double Oat Bleacher, which has a capacity of 6,000 bushels per hour, has been provided and there are two Wolf Wheat Washers and four Hess Driers.

Electric power is used throughout the elevator, and all lighting is, of course, electrical. Unit motors

are 36-inch. The dumper shed contains four 42-inch conveyors and there are three 42-inch conveyors in the working house. The elevating machinery was furnished by the Webster Manufacturing Company of Chicago.

Four Metcalf Car Dumpers have been installed and each of these has a cycle of operation of five

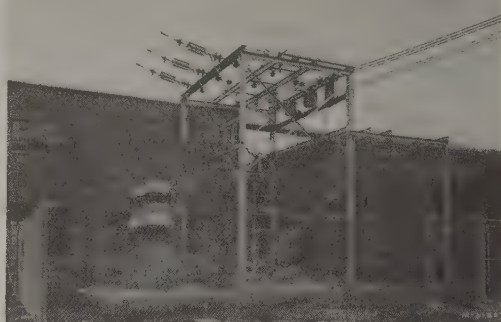
also a complete signal system, so that travel by men around the plant is reduced to a minimum, and it is possible to convey necessary instructions regarding operation readily from one part of the elevator to another. The plant also has a thoroughly modern laboratory in the new unit so that tests may be made and accurate determinations are possible with no delay and with no sending of samples to distant laboratories. The house is fully protected against fire by the usual means, including



VIEW IN ONE OF THE CONVEYOR GALLERIES

are located throughout the house, and an aggregate of 5,200 horsepower is required for operation. Morse Chain Drives are used in all cases except in the elevator heads, in which herringbone gears are the method adopted.

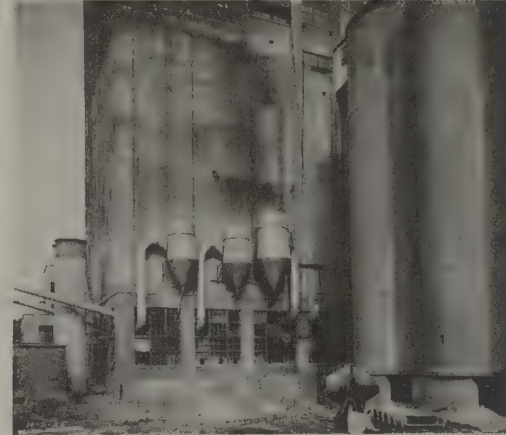
The storage annex contains 18 belt conveyors, 10 of which are 42-inch conveyors and eight of which



THE PLANT'S POWER TRANSFORMING STATION

minutes and 10 seconds after placing of the car on the platform. There are also two pairs of Clark Beatty Shovels. Weighing facilities are provided by 12 Type S Fairbanks-Morse Scales of 2,500 bushels' capacity each and two of the same make of 500 bushels each. By the combination of the excellent track facilities already referred to and the weighing and unloading equipment just mentioned, the Santa Fe elevator has ideal working conditions for shipping and receiving.

In addition to the equipment mentioned, there is a passenger elevator in the new unit. There is



ELLIS BLEACHER IN SANTA FE ELEVATOR

fire hose, extinguishers, outside hydrant and pump, and risers.

The engineers who built the new unit and supervised the installing of the various kinds of equipment were the John S. Metcalf Company of Chicago. The belting was provided by the Diamond Rubber Company, Inc., of Akron, Ohio.

A BILLION DOLLAR INDUSTRY

A sort of second cousin to the grain trade is the baking industry, which uses every year approximately 35 per cent of the flour manufactured in United States mills, which in their turn have bought the wheat from the grain dealers. "The American Baking Industry, 1849-1923", a review just published by the Food Research Institute of California's Stanford University, is interesting not only in the light of this relationship, but because its publication is coincident with the October announcement of the mammoth bakery merger. This, if all continues to go well, will be known as the General Baking Company of Maryland, with a capital of 10,000,000 shares of no par value stock, with a reckoned value of at least a billion dollars . . . General Motors, United States Steel, and now, General Baking.

Three concerns, the Ward Baking Company, the Continental Baking Corporation (with the Livingston Baking Company, its subsidiary), and the General Baking Corporation, are to be merged, with control over about 160 plants throughout the country, and dedicated to the "Fordizing" of bread production. A 20 per cent reduction in bread price is already in effect at Chicago, Ill., on account of the merger's partial completion, and it is predicted that a similar reduction is to be made in a great number of cities. A low margin of profit, it is said, will be taken on the \$200,000,000 annual sales volume. All this might make a footnote at least for the opinion expressed on Page 64 of the review: "Corporate ownership is extending, but it is doubtful whether the scale of production in this branch (excluding biscuit and cracker manufacturing) of the industry will ever approach the average for manufacturers in general."

A contrast between the grain trade and baking industries, as brought out in this work of the Food Research Institute, is the low capital investment per bakery plant. The premises occupied by small bakeries need not represent capital investment at all, for they are often rented. A man thinking he would like to try his hand at grain dealing, unlike the man with a hankering for the baker's life, cannot walk down Main Street and rent almost any store he fancies, for his place of business. From

the review: "Cost of materials is the major expense of the baking industry. About half of the value of the product is so absorbed in the biscuit and cracker branch and around 60 per cent in the other branch. Broadly speaking, between 70 and 75 per cent of the expenses are for materials, chiefly those worked up in the finished product. These figures are larger than in manufacturing industries in general, and the value added by manufacture is correspondingly smaller in proportion to the value of product."

The baking industry, fourteenth in rank among this nation's manufacturing businesses with annual productions valued at \$1,000,000,000 or over, stands below milling which ranks sixth. Yet the baking industry, authors Kyrk and Davis point out, has grown much faster than milling, and has been using an increasing proportion of the country's flour production. Many of the points emphasized in the review are illustrated by charts. They need to be, for there always is in a work of this nature, an endless chain of statistics. The grain trade though, with its storage capacities, market quotations and crop estimates, in criticizing the liberal use of comparative figures, is throwing stones from a glass house.

\$44,000,000 FOR MOVING WHEAT

If the farmers of the United States should make but one trip to market every year, they would travel 47,000,000 miles. In the case of the wheat crop alone, at an average hauling cost of 30 cents per ton per mile, they would spend more than \$44,000,000 to move the wheat crop from the farmer's grain bin to the local elevator.

These figures are included in the September index of farm conditions issued by the Sears-Roebuck Foundation just recently made public. According to estimates made by over 3,000 field observers, the average farmer has to haul his produce 7.39 miles to a shipping point. This varies from 3.22 miles in the northeast dairy belt to 15.23 miles in the range states.

The index shows that while the farmer made great efforts in 1925, the physical volume of agricultural output as expressed in bushels, tons, barrels and bales will be smaller than in 1924 and

below the average of the last five years. There was a 2 per cent increase in acreage, but more than half of that was in cotton. The acreages of seven of the crops in the list were smaller than last year.

Fortunately, the corn crop is so large that it will largely overbalance the decrease in the less important crops on a tonnage basis. The foundation reiterates its August estimate of a 3,000,000,000-bushel corn crop, and states that the influences of the drought were counteracted by the late arrival of frosts. The average yield is estimated at 30 bushels an acre, as against 23.2 bushels an acre last year. According to Government estimates, the total corn acreage is approximately 1,000,000 acres.

Another feature of the index is the comment on the 1926 Winter wheat acreage. A recent official estimate of the intended sowings of Winter wheat stated there probably would be an increase of about 10 per cent over last year. The average given by the foundation's observers showed an increase of 4 per cent, which is practically nil. Declining wheat prices and drought have been largely responsible for these actual sowings as compared to intended sowings as of August 1, says the report.

INDIA'S DRY SEASON AHEAD

India's rainfall, since the beginning of the southwestern monsoon period early last spring, has been slightly above normal over the plains of India as a whole. There has been about 50 per cent excess rainfall in the western part of India's United Provinces, and also in northeastern Punjab. Recent dispatches from various sections state the need for rain to be very pressing. The northeast monsoon, blowing from October to March, although of moderate aridity in its beginning, often develops into a scorching wind by the time it runs its six-month course. For India as a whole it marks the dry season. Owing to the different ways in which the two Indian monsoons affect various districts, that country's harvest seasons spread through many months. Burma's great wheat harvest month is December. Southern India's is in February, while the central and northern is in March and April.

WHEAT KING HAS OWN ELEVATOR BUSINESS

"This field was idle last summer," Albert Weaver said, standing among the waist high stalks of bearded grain. "For two more years it will be sown to wheat. Then it will be plowed up and lie idle again." Some observers have declared this policy of soil conservation to be the secret, or the foundation of Mr. Weaver's ability to consistently hold his place in the front ranks of the world's largest wheat producers. His harvest this year amounts to around 80,000 bushels from his 4,000-acre tract. At \$1.40 per bushel that is \$112,000.

In July this year, Albert Weaver celebrated his sixty-first birthday, but the ground he has covered, literally and figuratively, since only as far back as 1907, would be counted as a lifetime achievement by many. Mr. Weaver came to Bird City, Kan., in 1907, a homesteader. He had given up teaching in a country school and now went into real estate selling, but when he saw the value of Kansas wheat-lands, he began buying the land instead of selling.

It is remarked of the Kansas wheat farmer that he works frantically in harvest and in plowing and seeding time and then does little field work for the remainder of the year. Albert Weaver's method will not permit that. The months before harvesting find him tilling and retilling his storage fields. This summer he has 1,000 acres idle, but storing much moisture.

Mr. Weaver now owns 34 quarter sections in Cheyenne County in northwestern Kansas. He rents or supervises 66 quarters in addition, raises and sells seed wheat, corn and feed crops to the community, operates a unique elevator business of his own. One of his 1925 wheat fields has recently been cited by Professor H. E. Summer, of the Kansas State Agricultural College, as being the best in the state this year.

A RAILROAD FOR A SIDELINE

George Henzel, president of a farmers' co-operative association at Virginia, Neb., rather than see his town without rail service, persuaded a few other men to go in with him and buy the part of the Kansas City & Northwestern Railroad which served local needs. That was about a year ago. Since that time the railroad, as an elevator sideline, has made a record over which its owners do not enthuse. Bluntly put, the railway, ever since it was bought at a tax sale in 1924, in order to keep it from being junked, has been the whitest kind of white elephant. The Kansas City & Northwestern has not been in operation for six years and is now petitioning state and Federal agencies for permission to abandon the property. Appeals for a Government loan to re-equip the line have been refused.

Mr. Henzel's elevator is on the railroad's right of way and has been able to keep in operation by reason of a switching arrangement with the Rock Island. Last spring, the receiver for the railroad asked Mr. Henzel and his associates to have the title assigned to him so that the road could reorganize, but this was not done. Advice from the state commission on railways is now sought by Mr. Henzel and others interested as to what to do with the Virginia property. The community can hardly expect a small group to carry so great a burden for long.

AUGUST EXPORTS NOT INDICATIVE OF YEAR'S

Exports of wheat from the United States during August of this year were only 7,900,000 bushels, compared to 16,835,000 in August, 1924, but for the eight-month period beginning last January and ending September 1, there were 64,390,000 bushels exported, as against the 42,889,000 bushels shipped out during the corresponding period in 1924. The Department of Commerce has made available these figures in its reports on the United States exports of grain and grain products for the first two-thirds of the current year.

While this August's exports of grain and grain

products were \$2,000,000 less in value than those in August 1924, this year's out-shipments for the January to August period were \$110,000,000 greater in value than those in the same months last year. With the exception of corn products, rice, and wheat flour, all classes of grain products show a substantial increase over last year.

Oats exports for August, 1925, show the most spectacular gain of any item covered in the report. There were oat shipments aggregating 6,104,000 bushels this August, compared to only 51,000 bushels in August, 1924. Rye shipments totaled 1,009,000 bushels in August, against 1,469,000 bushels in the same month of 1924. Rice exports were 628,000 pounds, against 1,309,000; barley 4,565,000 bushels in August, 1925, against 1,506,000 bushels in August, 1924; corn, 732,000 against 648,000; hominy and grits, 2,093,000, against 3,649,000 pounds in August, 1924.

TWO DECADES' GROWTH OF A KANSAS FARMERS' ELEVATOR

Twenty-seven years of uninterrupted operation of an elevator which handles the needs of an important country station means that many hard knocks have been received and successfully met. This period includes the trying period which resulted from conditions attendant on the World War, and it is sufficiently wide in scope to have included the bad with the good. When the management of a country house can show substantial

cured by means of extinguishers at intervals in the house, and these supplement the usual water system.

The principal grains handled are wheat, corn and oats; and in the course of a year the plant handles over 200,000 bushels. In addition to grain, the Farmers Grain Company does business in coal, bran and shorts, as well as implements, and feed. The implements have in the past proved to be one of the most profitable sidelines.

The company was organized in 1905, and was incorporated under the laws of the State of Kansas. Its authorized capital stock was \$10,000, divided into 400 shares of stock, with a par value of \$25 each. The corporate powers are vested in a Board of Directors, a secretary and treasurer. There are now 91 stockholders. The company has a surplus of \$9,526.16, and its books show undivided profits of \$27,074.69.

The company operates only the one plant at Belpre, Kan., but it can readily be seen when the statement is studied, that the management has been quite successful in building a profitable business. Frank Ward is manager and has been for seven years. Prior to his assuming his present executive duties with the corporation, he had worked for the company a long time, so that in all he has been connected with the enterprise for 18 years.

Along with the elevator, the company has a fine large warehouse which measure 40 by 100 feet, as well as facilities for taking care of the large im-



FARMERS GRAIN COMPANY'S ELEVATOR, BELPRE, KAN.

profits in such a period, and come out at the end with a good surplus as well as an appreciable item of "undivided profits" on the right side of the ledger, there is adequate reason to believe that considerable more than mere luck has been required to achieve the gratifying results.

One grain company which has accomplished this, and is still going forward on a justifiably optimistic basis is the Farmers Grain Company of Belpre, Kan. This company has a house which measures 32 by 52 feet, and has a storage capacity of 30,000 bushels, divided into some 13 bins. The structure is double, wood and ironclad, and is very favorably situated for transportation. It is on the main line of the Atchison, Topeka & Santa Fe line, and has adequate siding facilities.

The receiving capacity is 10,000 bushels, as is also the shipping capacity. There is one grain cleaner, a Monitor No. 4, which can handle 1,000 bushels per hour. The power used in the plant is both gasoline and electric, and electricity is the means of lighting. Two motors of seven and one-half horsepower have been provided, and both rope and belt drives are in use.

Dumps are installed as the unloading devices, and there are two scales. Both of the scales are of the Richardson make, and one is automatic while the other is a hopper scale. Fire protection is se-

plement and repair business. The volume of the coal business is also large, and affords excellent opportunity, inasmuch as the Farmers Grain Company is the only coal dealer in Belpre.

The officers and directors of the company include: T. L. Miller, president; R. M. Rudd, vice-president; J. F. Ward, manager and treasurer; H. L. Westerman, secretary, and the following directors, all residents of Belpre, Kan.; William Phillips, A. G. Breitenbach and Charles Beery.

HIGH HANDLING CHARGE

Kansas farmers this year received an average of \$1.20 per bushel for the 6,138,112 bushels of wheat marketed through the Kansas Wheat Pool Association, after the various organization fees, amounting to about 18 cents per bushel were deducted from gross receipts. This information, contained in a statement published by the United States Department of Agriculture, is closely examined by Secretary Charles B. Riley, of the Indiana Grain Dealers Association, who reports:

"The items of expense, etc., are as follows: Terminal charges, 4.846 cents, expenses of Wichita office 1.012 cents, a deduction for the Kansas office 9.661 cents, a deduction of 2 per cent on selling price, as a reserve to pay certain expenses, such as directors'

salary and expenses, administration salaries and expenses, house organ expenses, legal expenses, etc. This amounts to 2.97 cents per bushel. Total of all deductions: 9.507 cents per bushel. In addition every bushel was assessed 2.905 cents to pay storage upon farms. This was paid back to such farmers as furnished the storage. The Department makes a summary of all expenses, deductions, etc., of 12.412 cents per bushel in addition to the local handling charge, which is not given. But in Indiana, the local handling charge has ranged from four cents to six cents per bushel or an average of five cents. Thus the farmers of Kansas have enjoyed the privilege of paying for this service a total of about 17.416 cents per bushel, and finally got for their wheat \$1.20 per bushel or 20 cents less than Indiana pool paid, or 33½ cents less than the Indiana millers paid their farmer customers.

ELEVATOR SCHOOL FOR 1926

In all probability, another course of instruction for grain elevator men will be given at the North Dakota Agricultural College next year, owing to the success of the one recently completed. The short course for elevator managers or for those contemplating that line of business activity, held at Fargo, N. D., this year was acclaimed a success by all in attendance, so that plans for the 1926 course are already being given consideration. Among the subjects discussed were cost of operating country elevators for different volumes of grain handled, and margins of profit under various conditions. The discussions were based on a study of 225 farmers elevators in different parts of the state.

THE LIMITATIONS OF CO-OPERATIVE MARKETING

Co-operative marketing cannot cut costs greatly. That is, a co-operative organization cannot operate a given business unit any more cheaply than a private concern could operate the same unit. They may, however, cut their costs if they can increase the volume of business over that of the larger private dealers or if they can operate as efficiently as the more efficient of these. These are some of the clearly presented conclusions drawn in Circular No. 298, published this month by the College of Agriculture at Berkeley, Calif. "The possibilities and limitations of co-operative marketing are very generally misunderstood," H. E. Erdman, marketing specialist, observes, and adds: "In fact, some of its limitations are often heralded as possibilities, whereas many of its possibilities are not generally appreciated at all." Some of the outstanding possibilities Mr. Erdman sees, are:

- (1) Standardizing and improving production.
- (2) Standardizing and improving grade and pack.
- (3) Stabilizing production.
- (4) Controlling flow to market.
- (5) Improving distribution between markets.
- (6) Advertising and the development of new markets.
- (7) Collective bargaining.
- (8) Financing of marketing operations.
- (9) Making marketing more efficient.
- (10) Maintaining favorable public relations.

Three limitations are then set out by the author "particularly because they are so often listed as possibilities of co-operation." They are:

- (1) Co-operative associations cannot arbitrarily "fix" prices although they can and do exercise a favorable influence on prices.
- (2) Co-operative organizations cannot "eliminate the middleman" except in the sense of combining the function performed by a number of dealers at any given stage in the marketing process. What they really do is (a) to substitute a co-operative agency for a private, and (b) to combine a series of steps in the marketing process under one management.
- (3) Co-operative marketing cannot cut costs greatly. That is, a co-operative organization cannot operate a given business unit any more cheaply than a private concern could operate the same unit. They may, however, cut their costs if they can increase the volume of business over that of the larger private dealers or if they can operate as efficiently as the more efficient of these.

There are also some inherent difficulties which capable management may and often does over-

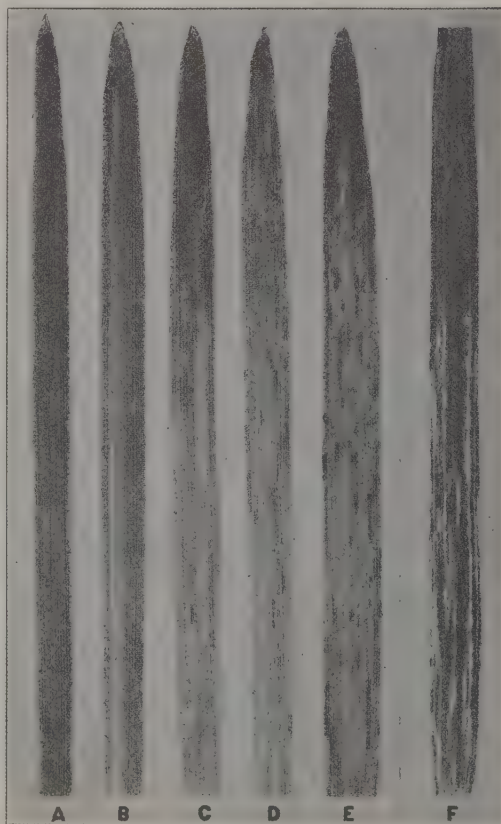
come, this bulletin shows. "Most important among these" are:

- (1) It is difficult to maintain harmony between management and members.
- (2) Members become careless as co-operative citizens, failing to vote or making poor selections of officers.
- (3) There is often a tendency towards extravagance.
- (4) Outsiders sometimes get higher prices than members even when an organization is functioning efficiently.
- (5) Members of a new organization often expect impossibilities.

Finally, Mr. Erdman advises, the management of a co-operative association must not only be an efficient manager but must keep his membership with him. He must have such a vision of what a strong organization can do that his enthusiasm becomes contagious without leading to extravagant expectations.

MOSAIC, A WHEAT MALADY

As in the case of mosaic diseases of many other plants, Winter wheat mosaic causes stunting and excessive, low-quality reproduction. The greatest



WHEAT LEAVES WITH AND WITHOUT MOSAIC
A shows healthy Currell wheat leaf; B, C, D, E show young leaves with mosaic; F shows severe mosaic on older Currell leaf

damage appears to be caused by the "rosette" condition which follows the mosaic. The area in which it is found is now limited to certain middlewestern sections, chiefly in Illinois and Indiana, but as it is a disease transmissible through infected soil, elevator managers in many sections are informing themselves on the subject and retailing the information to growers.

Owing to the small size of wheat leaves, and rye leaves (the infection also attacks rye) the mosaic pattern, illustrated here, is much less conspicuous than that on corn. Careful observation by Government workers, and by Wisconsin and Illinois agricultural experts, show that the mosaic mottling is first apparent in late autumn, but evidence of the disease is not abundant until the new leaves develop in early spring. The mottling consists of irregular streaks, varying in length and width which tend to follow the long axis of the leaf. In some cases, mottled leaves show a light green pattern on the normal green background. Frequently, however, the greater proportion of the infected leaves are of the lighter green color, making it appear that there is a dark green pattern on a light green background. In certain varieties the leaves frequently develop

light-yellow patterns or irregular strips, and it is not uncommon to find mosaic mottling also on the leaf sheaths and glumes. Currell wheat seems unusually susceptible to severe leaf mottling.

In the United States Department of Agriculture's Bulletin No. 1361, which was prepared with the aid of the state experts mentioned, some control measures are suggested. As is well known the control of rosette is effected by the use of resistant varieties. This applies likewise to the mosaic leaf mottling, as both rosette and the mosaic are phases of the same disease. Infested fields, the bulletin indicates, should not be sown to Harvest Queen, Missouri Bluestem, Nigger, Penquite (Penquite's Velvet Chaff), Brunswick, or certain selections of Fultz, Indiana Swamp, and Illini Chief. These varieties and selections are all very susceptible to rosette as well as mosaic. Although the Currell variety does not develop rosette, it appears to be very susceptible to mosaic, and it should not be sown on infested soil. Most wheat varieties seem to be susceptible to mosaic, but in many cases the disease does not seem to be very severe. Selections have been made from Harvest Queen which apparently are immune from all phases of mosaic. These selections are being given further study. There is always the possibility of the resistant or apparently immune varieties serving as carriers.

THE POINT IS—

That wheat producers stand to receive about \$1,000,000,000 for their harvest this year, is one estimate carried in the October 1 Government report. "Agricultural income will not be greatly in excess of last year's," the advice continues, "but the point is that this is the second fairly profitable year."

Discussing the situation by regions, the report states that in the East, corn growth is excellent. Beans, buckwheat and other crops in harvest were damaged by heavy rains. Winter grain is mostly seeded.

The corn belt has the corn harvest well along with the crop matured safely ahead of frost, says this bulletin. There is some chaffy corn in areas hit by dry weather but the bulk of the crop is apparently good grain. The region is busy with the late harvest and fall work. Winter grain has been planted under favorable conditions. The hog and cattle situation generally favor optimism.

The wheat belt, the report concluded, has Winter wheat seeding about finished. Local estimates of acreage vary but general indications are of some increase over last fall. Spring wheat yields are only fair but grain is excellent quality. Threshing is practically finished. The general result of the season is favorable to the region as a whole.

WASHINGTON URGES SPECULATION

From the office of the Secretary of Agriculture at Washington, D. C., comes a bulletin on the oats market that clearly contains argument for farmer speculation. "Farmers of the United States can sometimes sell a small crop of oats for more money than they can sell a large crop," the bulletin states, and further explains that economists in the Department have figured out what would have been the effect on the gross value of our oat crops, had producers followed the example of Joseph in the land of Egypt and saved up the surplus from fat years to eke out the supply in lean years. It is estimated by the economists that the producers could have received \$171,000,000 or about 9 cents a bushel more on the carryover, by storing surpluses and regulating their movement to market in the period from 1895 to 1913. This calculation is based on the assumption that a regulated movement of the crop would have eliminated extreme price fluctuations and caused the price to conform to the general trend.

This finding is not offered as absolutely conclusive. It is based on estimates and leaves out of the reckoning such considerations as local prices, differences due to grades, and storage costs. Nevertheless, the study is believed by the Department, to

indicate that there is an economic basis for efforts to distribute the oat supply in a more orderly manner. The view that a large crop may often be worth less than a small crop is confirmed. Four large oat crops harvested in 1902, 1904, 1905 and 1906 had a value of \$69,000,000 less than that of four small crops harvested in 1901, 1903, 1907 and 1908.

The Department claims to have found that a normal annual price can be figured out for oats on the basis of the United States supply, because that supply is produced and mostly consumed within the country. Exports of oats from 1909 to 1913 and since the war have averaged not more than 2 per cent of the crop. Imports of oats have been still smaller. On the other hand, in the case of wheat, the price of which is determined in the world market, it is not possible to assume a normal annual price based on American conditions. Thus wheat prices declined following the short United States crop of 1893 when world production was large. On the other hand they arose after short crops in the United States and in the world in 1907, 1908 and 1911. They declined in 1913, when the United States had a normal crop and the world crop was large. The report emphasizes that this is worth bearing in mind by farmers who contemplate a shifting of acreages between wheat and oats. A change which would affect wheat prices very little, it is pointed out, might have a big effect on the price of oats because oats are sold in a narrower market.

1926—GOOD WHEAT YEAR

Owing to the general belief that a good wheat year follows a bad one, J. F. Jarrell, agricultural development manager for the Santa Fe Railroad, believes that there will be about 1,500,000 more wheat acres in Kansas next year than this. He estimates that about 12,000,000 acres will be sown to wheat this fall. Part of the increase, he asserts, will be accounted for by the great tracts of sod land in the western counties of Kansas that are coming under cultivation this year for the first time.

SIXTH GRAIN TRADE REPORT

In its sixth report on the grain trade, the Federal Trade Commission frowns especially on futures trading, as giving a distorted reflection of what is eventually the delivery price. In part, the report reads:

One of the most important and significant facts statistically demonstrated is the downward bias of the future market. An extensive comparison of price data for various grains and options over many years show that, on the average, there is a definite tendency for the future price in the earlier months of trading (perhaps nine months ahead of delivery) to fall short of the price subsequently attained just before or during the month of delivery. In other words, the tendency of the future price is to understate the ultimate price. This is true merely in a large majority, but by no means in all, of the instances dealt with. The bias of the futures market in the direction of low prices is in part explained by the weight of selling hedges during the heavy marketing season. But the prevalence of undue discounts, or the downward bias of forecasts, at other seasons (as for example, for wheat in the spring before the opening of the new crop year, when trades of hedges are more likely to be on the buying side) must be attributed to causes other than hedging pressure. The character of recent professional speculation is suggested as one of these factors. This bias of the future market operates especially to depress unduly the next-crop options. The downward bias of the futures market in large explains the tendency of the future price to be at a discount below the cash price.

Owing to the tendency of the futures to be at a discount, the risk on hedge sales (which constitute month. If owing to the downward bias of the future, must come approximately together in the delivery month. If owing to the downward bias of the future the hedge sale of the future must be made at a discount below cash price, the tendency referred to is more likely to result in loss than if the bias were in the opposite direction. This in any case, operates to make the hedge unduly costly and may, if the discounts are sufficiently large, render the future practically worthless, as a hedge. The correct use of the futures market for the purpose of protection against loss is, in consequence, not so simple a matter as the advocates of future trading ordinarily assumes.

"The critical time of readjustment of prices to

the changing conditions of supply and demand in different crop years is in general the month of July," the report states, "for all grains, notwithstanding the fact that the marketing of the crop starts much later. It has often been asserted by advocates of future trading, especially large speculators and commission houses, that future trading advocates of future trading, especially large speculators and commission houses, that future trading operates as a stabilizing influence on prices. But detailed statistical analysis of cash and future price movement for many years yields no convincing evidence of this. The data studied do not indicate that futures prices are especially stable and technical conditions of future trading appear to cause some fluctuations in prices that would not otherwise occur."

A WASHINGTON ELEVATOR WITH SIDELINES

A rich agricultural country is that which lies in the great Northwest, and the fertile valleys of the State of Washington are producing grain crops



EDWARD J. BECK, MANAGER, AND HIS DAUGHTER

which are worthy of note. The problems are those of quantitative production in a comparatively new farming area, combined with all the age-old questions of marketing. Country stations which are well served with elevators in mechanical trim, managed by competent executives, have a natural advantage and farmers realize it.

The Great Northern Railway's right of way when it enters Washington from the east end of the state has passed through an excellent farm section, and as it penetrates into the state of Washington on its way toward the Pacific, it adds to its revenue by facilitating the handling of various

the illustrations shown on this page shows Edward J. Beck, the manager of the house, along with his daughter; and in the other picture can be seen the elevator and warehouse.

Seven thousand bushels per day is the receiving capacity of the house, and the shipping capacity is eight cars per day. There is one grain cleaner—a Prinz & Rau machine—and it has a cleaning capacity of 5,000 bushels per day. This equipment, like the rest of the mechanical makeup of the plant, is of modern manufacture, and has been kept in first class condition, so that operation of the various units is fully efficient.

Gasoline power is used, and electricity is used for lighting. Chain and belt drives are used. A dump scale has been installed, and there are four scales, including automatic, hopper, truck and wagon scales.

In addition to wheat, the company handles barley and oats. The annual volume varies from 200,000 to around 300,000 bushels. Wood, coal and grain bags are also among the products which constitute the company's business, and in general, the last named has been found to be the most profitable.

The property was purchased from the defunct Edwall Grain Company, and a new company was organized. It was incorporated under the laws of the State of Washington, and has conducted the enterprise ever since. The president of the company is C. E. Devenish, who has lived in the community for 22 years, having gone there from Indiana. The secretary is R. O. Scott, who has lived there for 40 years. Edward J. Beck, the manager and treasurer, came from Argentina.

Doing a distinctly local business and capitalized by local men, the company has been an important influence in the community and has established itself on a profitable basis. By combining the excellent farming conditions with good transportation, the farmers who compose the company have provided the necessary marketing machinery. Good management has done the rest.

MUNICIPAL ELEVATOR LOSES

The \$1,250,000 municipal elevator at Norfolk, Va., is a matter of growing concern to taxpayers. Unfavorable rates on grain this year have been given as the reason for the elevator's failure to pay even its operating costs so far this year. About 4,500,000



ELEVATOR OF THE EDWALL WAREHOUSE COMPANY, EDWALL, WASH.

products of the land, of which grain is one of the most important. The small town of Edwall, Wash., is not far from the eastern end of the state, and it is there that the Edwall Warehouse Company maintains its elevator and warehouse. The former measures 40 by 50 feet, and the warehouse is 150 feet in length and 40 feet wide.

The elevator is of crib construction, and has a storage capacity of 110,000 bushels. This is divided into six large and five small bins. Approximately 60 per cent of the storage is bulk and the remaining 40 per cent is sack storage. One of

bushels of grain were moved through this house last year, but only one-fourth of that quantity has been handled in 1925, according to official statements. For some time the plant has been under lease, the lessees paying one-fourth of a cent per bushel on all grain unloaded at the plant, with a minimum payment of \$20,000 per year guaranteed. Last year the operating costs and the interest and sinking fund charges were greater by about \$35,000 than the receipts from the elevator, while this year, according to figures presented to the city council, the deficit will be around \$80,000.

Grain Dealers National Convention

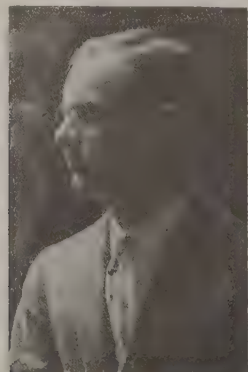
SEVERAL innovations in procedure marked the twenty-ninth annual convention of the Grain Dealers National Association, held at Kansas City, Mo., October 12, 13 and 14. Sessions were limited to one each day, held in the morning. This resulted in a fuller attendance at each session, and a better time all around. Reports and addresses were shortened, so that no one was tired out listening to matters with which, often, everyone was fully informed in advance. And finally, the resolutions were introduced and adopted before the tail end of the convention when most of the delegates had gone home. All these reforms were favorably received.

The attendance was the best in some years, and the hospitality of the Kansas City hosts everything that could be desired. In short it was a convention that should set a precedent, a mark to shoot at by future officers of the Association and President F. G. Horner of Lawrenceville, Ill., and Secretary Charles Quinn of Toledo, deserve congratulations for their accomplishment. The report follows:

The Opening Session

The convention was called to order by President F. G. Horner at 10 o'clock a. m. Monday, October 12.

The President: The convention will come to order. Let us all stand while the invocation is pronounced



VICE-PRESIDENT C. D. STURTEVANT

by the Reverend E. A. Blackburn, Pastor of the Linwood Christian Church of Kansas City, Mo. (Convention stands.)

Mr. Blackburn: Almighty God, we invoke Thy blessing upon this assembly this morning, this group of men and women gathered together for the best interests of business and country and home. May they be guided and actuated by the highest motives, motives of service rather than selfishness. May all that is said and done throughout this convention be to Thy name's honor and glory. We pray in the name of the Prince of Peace, Amen.

The President: We will now have the honor of being welcomed to Kansas City this morning by Mayor Albert I. Beach.

The Mayor: Mr. President, and Gentlemen, for I see no ladies present: It is a great pleasure for me, as the chief executive of this city, to welcome to Kansas City the distinguished visitors present at this convention. Kansas City is always pleased to be the host on an occasion of this kind, and we are particularly pleased to be the host at this particular convention. Kansas City ought to be pleased to have this convention here, because you know better than I what your business contributes to this city.

It is customary on an occasion of this kind for the mayor to get up in all of his glory, and tell what a wonderful city he has, but we here, my friends, are that proud of Kansas City that we feel a trip down through our business districts, along through our shopping districts, down through our stock yards section, a trip through our grain elevators, and out through our parks and boulevards, and through our schools, speak far louder than the words of an ordinary man. I hope that while you are here in Kansas City you will have an opportunity to see and know Kansas City.

I do not believe it is necessary for me to say what I am about to say, to those present in the room—maybe some who are outside should hear this. You

know the mayor is ex-officio a member of the Police Board, and in case any of you get into any difficulties with our policemen, all you have to do is to say that you are a friend of the Mayor, and then when he takes you down to the jail, as he probably will, just call me up, and I will come down and try to make it as comfortable for you while you are down there as I possibly can (laughter). Just take that message to the fellows on the outside there.

Now seriously, I hope that out of the deliberations of this convention will come great good to each of you individually and to the business that you represent, and that you will leave Kansas City with a feeling that Kansas City has been the right sort of a host on this occasion, and if you ever have a desire to find a new home, that you will come to Kansas City (Applause).

The President: We will now have the pleasure of listening to the president of the Kansas City Board of Trade, all of whose members have been working so hard for the success of this meeting, President H. C. Gamage.

MR. GAMAGE'S WELCOME

MR. PRESIDENT, Ladies and Gentlemen: I wish to say one thing about our mayor. He is one of the few mayors of this country that you can believe. As a matter of fact, he is so truthful that we have had to draft him to serve as our mayor the



PRESIDENT F. G. HORNER

last two administrations. I am glad you had an opportunity of hearing him talk and of seeing him, because he is a rarity so far as mayors go.

On behalf of the Board of Trade of the Heart of America, I extend a warm and hearty welcome to you all.

Eleven years have passed since we had the pleasure of serving as host to this splendid organization. These 11 years have been crowded with many important events. At the time of your last annual meeting in Kansas City, 1914, the war gods of Europe were clashing their swords. The upheaval in all lines of business immediately following the declaration of war in Europe created a situation unparalleled in the annals of the grain trade. There were many problems of grave importance confronting the trade at that time, problems without precedent, as the business of this country had never before been called upon to face a situation of such uncertainty.

Your Association was equipped to give valuable advice and wise counsel to its members during the subsequent years of turmoil, which proved invaluable in the conduct of their business.

The grain interests of Kansas City, I know, feel deeply indebted to the Grain Dealers National Association and its capable executive officers for the able assistance they have given in opposing the flood of unfriendly legislation that has been experienced the past several years.

The Association must be given due credit for the influence it has exercised in bringing about a better

understanding of the grain trade in general, its functions and purposes. By their efforts the public and producer have become better informed, and consequently many prejudices have been removed, which have been prevalent for many years past.

I believe I can say, without fear of contradiction, that there is a more friendly feeling today on the part of the producer toward the grain dealer than has ever existed before. We have been called a lot of pet names in recent years by the uplifters of the producer. We have had some ugly things said about our system of marketing, but it is interesting to note that many, if not all, of the revolutionary ideas and dreams of the so-called "Farmers' Friends" can be bought today for about two cents on the dollar, which is two cents more than they are worth.

The grain exchanges of this country today appreciate fully their responsibility to the producer, country grain dealer, miller and public at large, and in order to merit the confidence of those interests, the boards of trade are adopting every practical and workable suggestion for the improvement of their usefulness that has been made to them.

In the ride around Kansas City, proposed for tomorrow afternoon, you will have the opportunity of seeing a few of our modern grain elevators and mills. It will be impossible to see them all, as they are scattered over such a wide area. However, should any of the visitors care to visit any particular plant, they have only to make their wants known to the Transportation Committee and automobiles will be furnished.

We are proud of our grain handling facilities and mills, the capacity of which is being enlarged yearly. As a matter of fact, our facilities have grown so rapidly the last five years that we have not realized the rapid growth we have made. We have had an



VICE-PRESIDENT JOHN S. GREEN

increase of 30 per cent in elevator storage in Kansas City in the past five years, and an increase of 67 per cent in milling capacity during the same time.

The combined storage capacity at Kansas City is 35,000,000 bushels, with several million now under construction. The daily milling capacity at Kansas City is 26,000 barrels, with a 3,000-barrel plant now under construction.

We also invite you to visit our protein laboratories located on the fifteenth floor of the Board of Trade Building; also the various grain testing laboratories operated in connection with the state and Government inspection offices.

With the kind permission of the "weather man," we hope to make your visit in Kansas City a pleasant one, and we hope that you will avail yourselves of our meager hospitality and have an enjoyable time while you are here.

The President: The Grain Dealers National Association can think of no better way to acknowledge their appreciation of our welcome here this morning than to ask that it be expressed by one of our most lovable and best beloved members, Ex-President Ben Clement from Texas.

MR. CLEMENT'S RESPONSE

MR. MAYOR, Mr. President of the Kansas City Board of Trade, Mr. Chairman, Ladies and Gentlemen: The annual trek of the Grain Dealers National Association finds its happy consummation this morning in our presence here in the heart of America. As I listened to the warmly eloquent, the highly instructive and the profoundly hospitable addresses, paying to us such warm tribute and assurances of welcome in this beautiful city of Kansas City, I could not but wish that I was possessed of the versatility that one of our old colored preachers down in my native state has. He has the reputation of being very versatile and of being competent to meet any occasion. When his audience was assembled

PRESIDENT'S ANNUAL ADDRESS

on Sunday morning, he would deliver the invocation, he would read the Psalms, and proceed with the usual preliminaries. Then he would say "Brethren and Sisters, as is my custom, I want some member of my audience to suggest the text for today." Then he would begin and preach a powerful sermon, giving the gospel interpretation to the text whatever it might be. His fame spread among the colored gentry, and the white folks also took cognizance of his grace and ability, so one time one of his white fellow citizens met him on the street and said to him, "Parson, we understand that you deliver only extemporaneous sermons, and we want to come up to your church and hear you some time." And he said "Yes, sir, white folks, we'll be glad to have you come up any time." So the following Sunday about a dozen of the white gentlemen of the town got together and went down to his church. Their coming had been noised about among the colored gentry, and they were there in full dress, and the church was crowded from stem to stern. However, the front seat had been reserved for the visitors by the thoughtful colored parson, and his ushers were at the door to conduct them to their seats. They came in and took their seats, and the parson proceeded as usual with his services. Finally, when he finished the preliminaries, he said "Brethren and Sisters, we are honored today by the presence of the white folks who have come to hear me preach one of my extemporaneous sermons, and in order that they may know that there is no collusion between me and my audience, I am going to request that one of the white brethren himself suggest the text for today. So one of his visitors said "Parson, do you confine your sermons absolutely to the texts in the Bible?" He says "No, sir, but I put a gospel interpretation on any text. Just proceed." So one of them, who happened to be a physician, arose and said "We want you, then, to preach a sermon on pills." "Well now," he says, "Brethren and Sisters, that is a powerful moving subject (Laughter), but I think I can give you a good lesson from it." He says, "There are bitter pills and sweet pills, there are kidney pills and liver pills, there are small pills and large ones, there are black pills and white pills, there are pink pills and pills of other colors, but, Brethren and Sisters, if you want to be saved, you got to take the gospel." (Laughter).

Now, my friends, this story of the zeal of the colored minister reminds me that the history of the grain dealer began, according to Holy Writ, with the dawn of civilization. But nowhere in sacred or profane history do you find that any other grain dealer in all the annals of time ever had the advantage that Joseph had of 14 years' advance information on the weather (Laughter). Despite this fact, however, there is quite a similitude between the experiences of that ancient grain dealer and those of the modern times. For instance, Joseph's brothers cast him into a pit. Well, we modern grain dealers voluntarily enter one (laughter). Besides that, the pit into which Joseph was cast was 20 feet deep, while the one we enter is 20 feet across, but sometimes it extends plumb down to hell. (Laughter).

Now Joseph cornered the grain market of Egypt, and was accorded all honor and profit and power, while if we grain dealers attempt a thing of that kind, they will send us to jail (laughter). Joseph could charge any price he chose for his product, while we engage in the warmest competition. But, my friends, the similitude does not end there, for while Joseph was a great grain merchant, he was also a great exemplar of the virtues, the moral virtues of the grain dealers of this day and times. He spurned the importunities of Potiphar, and everybody knows the grain dealers of this day and time are not susceptible to the coquettish wiles of the modern Jezebel.

Four thousand years ago, in the days when the bondage of ignorance was upon the world, a man could take his own grapes or grain and make some wine or liquor, just natural like, but in these modern times, when an excrescence of spiritual zeal brought about the passage of the Eighteenth Amendment, which abrogates our natural right, then we do the unnatural thing of hiding our protest in the cellar (laughter).

But, my friends, we are not here today to discuss or compare ancient with modern times. We are here today to renew our acquaintances, to make new friends, and clasp the hands of old ones. We are here to learn anything that is wise and that is good, and will make us more efficient as distributors. We are here in proof of and in vindication of the fact that the competitive system of commerce is not only the most excellent, but that it can never be supplanted. We are here to testify anew to the fact that we believe in individualism as the essential principle of Americanism. We are here because we know that

"If we live for ourselves alone,
Our pathway will be rough, with many a stone;
But if we live for friendship and love,
The stones will be steps to heights above."

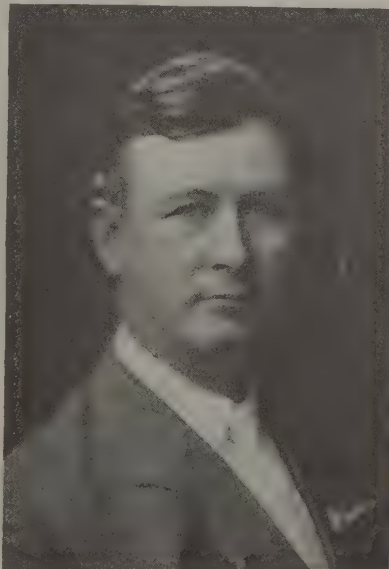
In conclusion, on behalf of these assembled grain dealers, it is my pleasure and duty to accept the assurance of your warm hospitality, and to give in return one of the noblest of human attributes, that of warm gratitude from the grateful hearts of men. I thank you. (Applause).

WE ARE today opening the twenty-ninth annual convention of this Association, and we have but to pause for a moment and glance back over the development of the grain trade during that period to realize how thoroughly the Grain Dealers National Association has justified its existence.

This year our Board of Directors decided to institute a radical innovation in the conduct of our convention by confining the business sessions to one each day. This was done with the idea that there were few problems now confronting the trade, with which most of our members were not familiar and concerning which their sentiments have not already become crystalized and it was thought that, under these circumstances, one session each day would give all the time that was necessary for the discussion of such trade subjects as were likely to arise. It was also recognized that not the least profitable part of our annual meetings is the opportunity which is offered in the hotel lobbies for better acquaintance and greater personal contact with our fellow members. Past experience has seemed to indicate that when we held all day sessions that this opportunity for personal intercourse was unduly restricted and that the attendance at our business sessions suffered in consequence. The plan for this meeting is an attempt to obtain a better balance between the business and social activities and it is hoped that it will result in a largely increased attendance and a much more active participation in our business sessions.

You, of course, understand that this is all an experiment and that its continuance in future years will depend entirely upon the reception which it meets at your hands.

In order to conform our program to the limited



EX-PRESIDENT BEN E. CLEMENT
Who Responded to the Addresses of Welcome

time which will be available, it has been decided that there shall be no set speeches by any of your officers and that such reports as that of our secretary, which must be long to be comprehensive, shall be presented with a brief extemporaneous summary and then ordered printed for your future consideration.

During the past year there has been little of importance in the activities of our Association which should not be known and understood by most of the members but these will all be placed before you in detail in the report of our secretary. This morning I wish to touch on only one or two features. Earlier in the year, our Association issued a booklet called a "Brief on the Grain Trade", and a few days ago issued another larger book of some 200 pages, called a "Brief on Co-operation". The former was prepared primarily for presentation to the President's Agricultural Commission. The latter is a detailed history of co-operative effort in all lines of business. I have heard it said that under the glass top of the desk of Dr. Mayo of Rochester, Minn., is this lone inscription, "He sought the truth", and that the doctor has expressed the wish that this should be the only inscription which is placed upon his tomb. Could any man have done more? Remembering, the while, that truth is not necessarily fixed but that it is constantly changing with changing conditions and that it must, therefore, be as constantly sought. It was this idea which prompted your officers to issue these two books. The first brief has already attracted the widest attention, not only in grain trade but in educational, newspaper, and business circles and both books are destined to become classics in grain trade annals. They have been prepared in a clear, able, and comprehensive manner, with the one object of presenting the truth in regard to the grain trade and with the hope that they would aid in dispelling much of the misunderstanding now surrounding our business. Neither of these books is in any sense an at-

tempt to discredit co-operative marketing, but on the contrary, freely recognize and without any hesitation give the fullest credit to every instance of success in the co-operative field. These books have been issued at considerable expense and are worthy of a permanent place in your office or library and it is hoped that they will have your careful study and that you will see that they circulate freely among your farmer and other friends. You can do no greater service to the grain trade than to thus spread this gospel and help to dispel some of the ignorance, prejudice, and misunderstanding which now presents such a fertile field for some of the prevailing propaganda against the grain marketing system.

Under the leadership of the Grain Dealers National Association, there has been a great deal of very valuable work done towards the unification of our trade rules but during the past year or two little further progress has been made. We should not expect, and perhaps we should not even desire complete uniformity, as the conditions which are peculiar to particular markets must always be recognized, but the present time does seem to be opportune for some further work along this line and I believe that this is a subject which well deserves the consideration of this meeting.

There has long been a need in the grain trade for some facilities of a national scope for the interchange of credit information but legal obstacles have always seemed to preclude the consideration of such a matter by our Association. However, if the United States Supreme Court should sustain a recent decision of the Federal District Court, in a case involving the Fur Dressers and Dyers Association, the legal obstacles would seem to have been removed and it is possible that in anticipation of such an event, some thought should now be given to the organization of a credit bureau. It should not be thought that such a service would be of benefit only to our shippers and receivers for such would not be the case. The dealer who is compelled to compete with the unfair methods of a competitor who does not protect his contracts or who does not pay his obligations, suffers much more and much longer than the distant shipper or receiver whose loss is usually confined to a single transaction. The entire matter is one of pure waste and directly or indirectly involves a burden upon the entire trade and is surely a proper field for Association activities.

The President: The Committee on Resolutions will be composed of the following gentlemen: F. E. Watkins, Cleveland, Ohio, chairman; E. C. Eikenberry, Camden, Ohio; George B. Wood, Buffalo, N. Y.; W. J. Edwards, St. Louis, Mo., and A. H. Hankerson, San Francisco, Calif.

The Nominating Committee will be composed of E. M. Wayne, Delavan, Ill., chairman; P. E. Goodrich, Winchester, Ind.; E. W. Crouch, Mc Gregor, Texas; J. R. Murrel, Jr., Cedar Rapids, Iowa; Adolph Kempner, Chicago, Ill.; F. E. Gillett, Nashville, Tenn., and S. P. Mason, Sioux City, Iowa.

The Auditing Committee is as follows: Lew Hill, chairman, Indianapolis; Frank B. Bell, Milwaukee, Wis., and William Miles, Peoria, Ill.

We will now hear the report of our secretary, Mr. Quinn.

REPORT OF SECRETARY QUINN

YOUR secretary, in presenting his twelfth annual report will, as a matter of long established custom, give you a full account of his stewardship. He will not read this report in its entirety to the convention because of a lack of time due to the plan of having but one business session a day. The full report will, however, be published in the convention proceedings so that all the members may know just what has been done by their officers during the last 12 months.

When the Grain Dealers National Association was organized 29 years ago many problems confronted the grain trade. At that time there were no trade rules, no compulsory arbitration, no one to look after the general transportation problems of the individual grain dealer, no legislative committee to see that the interests of the grain middlemen were not sacrificed at Washington, no uniform grades. In short there was no one to represent the grain dealers in a national way in any conferences that might be held to decide policies that vitally affected their interests.

All of these early problems have been solved. The Association has advanced compulsory arbitration further than perhaps any other national organization in the country. It has a set of trade rules that are as nearly perfect as it is possible to get them. It has a transportation committee that is constantly looking after your interests. The uniform grades problem has been completely solved.

But there remains one problem that is still a live one. That is the question of legislation. Indeed this question has been fiercely alive since the deflation in 1920. For the last five years the Association has been forced to devote much of its time in a struggle not only to preserve your rights as individual business men but to help in the greater struggle of preserving your inalienable rights as American citizens.

The impetus given state socialism by the world war has been felt more perhaps by the grain trade than by any other industry. The three years of hardships experienced by the farmers from 1920 to

1923 made these usually conservative men desperate and ready to try anything that their leaders advocated. The result was a flood of bills of all descriptions, many of them half-baked and illy digested and few of them of little value.

The enemies of the grain middlemen have charged that the Grain Dealers National Association has been "opposed to all legislation in the interests of agriculture." No greater untruth could be uttered. The records will show that the Association opposed no farm bills except those that would bring disaster both to the farmers and to the grain dealers. Nothing could be more false than the charge that the grain dealers of the nation fight all legislation designed to help the producers. Enlightened selfishness would be unalterably opposed to any such procedure. The Association never raised its voice in opposition to the passage of any of the following Federal laws:

The Federal Reserve Banking Act, which allows credit to commercial interests for 90 days, but gives the farmer six months' credit, thus solving his short-time credit problem. The Farm Loan Act of 1916 which furnishes long time credit (up to 40 years), to the farmer at rates as low as those paid by the great industrial corporations, thus solving his long-time credit problem. The Intermediate Credit Act of 1923 which gives the farmer credit running from six months to three years, thus solving his intermediate credit problem. The War Finance Corporation Act, which was extended some years into peace times in order to put at the service of American agriculture loanable funds of the United States treasury amounting to \$500,000,000. The Adams Act of 1916, which increased the Federal aid to experiment stations. The Smith-Lever Act of 1916 which gave the farmers their present extension service. The Vocational Education Act of 1917, which provided for vocational education in secondary schools. The Capper-Volstead Act of 1922, which authorizes associations and combinations among farmers with exemptions from the penalties of the Sherman anti-trust law.

The association is not on record as having raised a single objection to any of these acts passed by Congress. Never in the history of this country or any other were such vast sums set aside for the use of one class or was such a group of laws passed to improve the condition of one class of citizens rather than the citizens as a whole.

Under these conditions it is unpardonable to make the charge that the grain middlemen of this country have opposed the farmers' interests in national legislation. And when the question of state legislation is considered the record of the Association is the same. Provision was made by the Federal Government for 48 agricultural colleges and 48 experiment stations. State activities in behalf of farmers co-operative companies have been prodigious. Thirty-one states created bureaus or departments or commissioners of markets during the years of 1915-1924, and 28 of them are still in operation. None of these state activities on behalf of the farmers have been opposed by the Association.

It is true that we have vigorously opposed the McNary-Haugen bill, the Capper-Tincher bill and the Capper-Haugen bill as well as the Curtis-Aswell measure and the Williams and Dickinson bills. All of these bills, except the Capper-Tincher measure, and known as the Grain Futures Act, have been defeated.

It is not necessary at this late date to dwell on the McNary-Haugen Grain Export Corporation bill further than to say that after its defeat in the spring of 1924 it was rewritten and again presented in the Senate by Senator Howell, of Nebraska.

Since the last convention of the Association your legislative committee has opposed the enactment of the Dickinson bill, the Curtis-Aswell measure and the Capper-Haugen and Williams bills. The three last named are all of a piece. Their purpose is to secure from the public treasury large appropriations to promote the organization of co-operative companies.

The Curtis-Aswell bill embodies what is known as the Yoakum plan and has been advocated most actively by B. F. Yoakum, the retired railroad financier. This is the plan to which Former Governor Frank O. Lowden, of Illinois, is committed.

The Williams bill would create a Federal marketing board composed of five members appointed by the President. Its function would be to certify, supervise and link together three classes of marketing agencies. There would be co-operative marketing agencies of producers, co-operative clearing house associations and terminal marketing organizations at distribution centers.

The Curtis-Aswell bill would actually go into the business of marketing farm commodities, while the Williams bill would merely supervise co-operative associations. The Curtis-Aswell bill provides for a revolving loan fund of \$10,000,000.

The late Secretary Wallace did not favor either of the two bills. He had become convinced that co-operation in any form was inadequate to bring the farmer out of his economic troubles. His argument was that agriculture could not be placed on a parity with union labor and industries that were protected by the tariff unless and until the Government established a price for farm products, hence his advocacy of the McNary-Haugen bill.

After the decisive defeat of the price-fixing bill, President Coolidge, in order to make good his pre-

election promises to the farmers, convened an agricultural commission and out of these conferences there emerged what is familiarly known as the Capper-Haugen bill which measure sought to satisfy the demands of the advocates of the Curtis-Aswell and the Williams bills.

And right here an interesting chapter in the history of farm legislation might be written. The administration was willing to pass a co-operative bill that would carry an appropriation of \$500,000, the money to be used in helping the organization of co-operative societies, but it demanded a *quid pro quo* in the form of a regulation requiring that each co-operative company registered under the proposed law must give the Government not oftener than twice a year, a sworn statement of its financial condition.

The Capper-Haugen bill met a sad fate in the House. The bill was reported out by the House Committee on Agriculture but when it came up for discussion all but the enacting clause was stricken out and the Dickinson bill was submitted. The House then passed the substitute.

When the bill went over to the Senate the Agricultural Committee of that body struck out everything but the enacting clause and substituted the Capper-Haugen bill. In other words, the Senate Committee went back to the recommendations of the President's Agricultural Commission.

This placed the Senate and the House in direct opposition. The House would have none of the Capper-Haugen bill (the administration measure) and the Senate would have nothing to do with the Dickinson bill. Thus the Sixty-eighth Congress went out of existence with a deadlock on co-operative legislation.

The members of the Association will be interested in knowing something about the cross-currents that



SECRETARY CHARLES QUINN

so rocked the co-operative legislative ship in its rough voyages in the last Congress. As soon as it became known among the co-operative leaders that the Government demanded as the price of the Capper-Haugen bill the right to examine the financial statements of the co-operative companies, Washington was buried under an avalanche of telegrams demanding that this feature of the bill be eliminated on the ground that the co-operatives did not want to be "Federalized" by the bureaucrats. Many of the telegrams read: "What we want is less government in business."

Of course, it was quite all right to supervise and regulate the grain trade under the Grain Futures Act, but it was decidedly all wrong to look into the books of the co-operatives. The wheat pool leaders descended upon Congress and denounced in fervent tones this attempt of the Federal Government "to take the co-operative movement out of the hands of the farmers."

Congressman Dickinson, of Iowa, the author of the Dickinson bill, thought he saw an opportunity to get a measure through the House that contained none of the features to which objection had been so strenuously urged by the co-operative leaders. His bill made the same appropriation as the Capper-Haugen measure, namely \$500,000, but it said nothing about Government supervision. Here was a bill that was just what the poolers and others wanted. It appropriated half a million dollars for "services of experts or specialists in order to render assistance to co-operative marketing associations or to producers desiring to organize co-operative marketing associations," but at the same time it kept the Government away from the co-operatives' books and accounts.

And so the House passed the Dickinson bill. But that was as far as the bill ever went. When the Senate Agricultural Committee received it from the House, hearings were granted to Governor Carey, the chairman of the President's Agricultural Commission,

and several other conference members. In unmeasured terms they denounced the Dickinson bill which, they asserted, had no excuse for existence other than to supply a number of jobs for farm agitators. When they finished their testimony the Senate Committee went into executive session and promptly killed the Dickinson bill, eliminating all of it and substituting the Capper-Haugen measure which the committee promptly reported out on March 2, two days before the final adjournment of Congress.

The fact is that there was no chance for a co-operative bill to become a law at the last session of congress. The farm politicians did not want the Capper-Haugen bill for the reasons already given. The Dickinson bill suited them because it handed out money from the public treasury without a demand from the Government for supervision. But the administration was opposed to the Dickinson bill. It thinks that the time has come when something should be done to see that public money given to the co-operative movement should be accompanied by a measure of supervision.

The members of the Association will see what the situation is. The administration wants the co-operatives supervised, if further appropriations are to be made, while the farm leaders desire both the appropriations and a free hand. A legislative deadlock under such circumstances was bound to ensue.

But there is another angle to the whole controversy. Chairman Haugen, of the House Agricultural Committee, does not believe that any further co-operative legislation will help the farmer. His opinion is shared by Senator McNary and Senator Norris, the last named chairman of the Senate Agricultural Committee. To these men, and to a number of other senators and congressmen the fight over a co-operative bill was simply a tempest in a teapot. It was merely sound and fury signifying nothing. What they desire is legislation that will take care of the agricultural surpluses, hence the old McNary-Haugen Export Corporation bill has been rewritten by them.

When they saw that there was a hopeless division over co-operative legislation, Senator Howell, of Nebraska, put forth in the Senate on March 3, the day before final adjournment, the rewritten McNary-Haugen Export bill, but the Senate promptly killed it by a vote of 69 to 17.

The net result of the attempts to pass co-operative legislation at the last session is nil and the grain trade was given a breathing spell until the first session of the new Congress which begins the first Monday in December.

Your secretary has given you an account of the struggle in the last Congress to pass co-operative legislation, and he has presented a list of many bills that were enacted into law in the past several years, none of which, with the exception of the Grain Futures Act, were opposed by the Association.

The charge that the independent grain dealers have opposed legislation in the interest of the farmers falls to the ground. We have opposed only such measures as the country itself, after mature deliberation has rejected. The value of the Association to its members consists in its record of bringing to the attention of the nation those of the bills which were unsound and dangerous in their character.

It was with the idea in mind of acquainting the whole country with the exact situation that the Association on January 22 last presented to the President's Agricultural Commission the brief on "Co-operation". This was one of the most valuable briefs ever given to a commission or committee of Congress, because it was not written in an argumentative or hostile spirit, but was compiled from official Government sources—state and national.

The purpose of this brief was to show Congress and the country just what co-operation is and what it is not; what it has accomplished and what it has failed to do; why it has succeeded in the handling of certain products under certain conditions and why it has failed in the distribution of other products under other conditions.

Since 1920 the public press has been filled with propaganda designed to injure the grain middlemen. For several years it was most unusual for a daily paper to go to press without at least one "Co-operation" article. The result was that the public had come to believe that "Co-operation" was the panacea which was to bring the farmer into the promised land; that the middleman, in the economy of nature, had outlived his usefulness, and that prosperity could be restored to the producer only by his becoming a grain merchant as well as a farmer.

With the man-in-the-street believing that the middleman was an economic parasite it was comparatively easy to get the ear of Congress to the consideration of measures that would, in a saner period, be regarded as unsafe and unsound.

The problem that confronted the Association was how to meet this situation that had been caused by an elaborate and expensive propaganda. Obviously it would not do to prepare a mere anti-co-operation tract or to engage in the usual heated attacks that characterize one school of thought when it is opposing the beliefs of another.

What was wanted was a brief without heat, without the appearance of controversy, without bitterness or ridicule. It must be sane, unbiased, free from epithet, and contain nothing but facts taken from

public records and from the speeches and writings of the co-operative leaders themselves.

Such was the brief that was presented to the President's Agricultural Commission or conference. It had a powerful effect on the members of the Commission and its influence was doubtless felt in the preparation of the Commission's report to Congress.

The success that attended the publication of this brief was so great that the officers of your Association decided to amplify it and issue a booklet on the general subject of "Co-operation." This booklet will contain 126 pages, 6x9 inches in size, and it is now ready for distribution to all our members, direct and affiliated. It will, should the necessity arise in the next Congress, be sent to all representatives and senators. It will also be mailed to members of the National Association of State Marketing Agents, to members of the American Economic Association and to county agents throughout the country.

Much good is expected to result from this wide distribution. It will present to the sane leaders of the co-operative movement many facts which they either did not know or had refused to consider. And it will place in the hands of the country's economists a valuable research work.

The trouble with the co-operative movement, in the past has been the nature of its promotion. It has been treated as though it were a religious and not an economic movement. In this respect it has taken on many of the features that accompany the propagation of Socialism or Bolshevism. The real facts, coldly and dispassionately considered, have never been presented either to the farmers or to their leaders. This the booklet attempts to do and much good is bound to result. Nothing is ever lost by presenting the absolute truth in economic discussions and much is gained. The booklet is not propaganda for the middlemen because frank admission is made in all cases where co-operation has succeeded. To divest the subject of all sensationalism, all fervor, all emotionalism and to present it for just what it is, with its strength and its weakness, its successes and its failures, its inherent faults and its power for good—that has been the aim of the author of the booklet and he has abundantly succeeded.

This is the kind of labor that the Association has been doing in your interest. It has met co-operative propaganda with original research work. It has opposed bizzare and wild statements with cold facts taken from Government records. It has shown the fallacy of co-operation in grain in a national way in continental America. It will have a good effect in inducing straight thinking on a purely economic question and it is bound to have its influence in bringing to a close the present legislative cycle which began a decade ago. The grain trade has long needed literature of this kind to defend it from the unjust attacks of its enemies.

Legislative movements go in waves and cycles. When they are at their full tide their leaders, emboldened by their success, will stop at nothing. The historic background of the nation is ignored and they do not hesitate to advocate measures that are in their very essence repugnant to the spirit of the constitution. This is just what happened in the co-operative movement as it relates to Federal and state legislation. For a time it seemed that nothing could stop the craze for freak laws. Because they encountered no opposition in the passage of the many credits and other acts enumerated here they concluded that they had but to ask Congress to accede to their demands and the brilliant lawmakers would comply.

How far the movement would have gone had not the Grain Dealers National Association and the Grain Exchange taken a hand is, of course, conjectural, but there seems no doubt that it would have proceeded until some such ridiculous measures as the McNary-Haugen bill had been placed on the statute books.

Your secretary asks your indulgence for the length of this report, but he believes that it is necessary in order to give you a mental picture of the legislative situation in the last Congress and to acquaint you anew with the horde of laws that have been passed in the farmers' interests in the last few years.

The Association has never raised its voice in opposition to any measure that seemed, even remotely, to help the farmers. Even when we felt that a proposed law was worthless we remained silent, reserving our protests for use against such measures as we deemed subversive of our rights as American citizens.

Only a dauntless spirit will dare attempt prophesy. Your secretary makes no claim to prophetic vision, but he believes, nevertheless, that the tide is receding and that the rocks of sanity are beginning to emerge from the waters. The worst seems to be over for the present. The McNary-Haugen bill is dead because the Government will pass no price-fixing law in time of peace. And more co-operative legislation seems doomed for the reason that Congress has regained its sanity and will not approve of the further appropriation of public money without the right of supervision which in its last analysis means the federalization of the co-operative movement, and this the farmers themselves now see is unwise and in the end is bound to be disastrous.

Transportation

Henry L. Goemann, chairman of the Transportation Committee, will give the convention a full report of the activities of his committee during the year. Mr.

Goemann will explain the situation down to the present time with reference to the efforts of the Association to come to an agreement with the carriers on claims for shortage of grain. After several years controversy the matter has reached a stalemate and it seems that the only recourse left for the grain trade is to endeavor to secure an amendment to the Transportation Act of 1920.

Mr. Goemann will also discuss in his report a number of other matters upon which he and his committee have been working, such as the bulkheading of freight cars and the correct dating of bills of lading as well as changes that have been proposed by the grain trade and the National Industrial Traffic League in uniform diversion and reconsignment rules. Finally he will explain to the convention the situation with regard to telegraph code messages and his efforts to have the Postal Telegraph Company place the filing time on all its telegrams.

The subject of the correct dates on bills of lading has become quite important to the Association because of a number of recent arbitration decisions covering the point. This matter will come before the convention for general discussion when C. D. Sturtevant, chairman of the Trade Rules Committee, submits several proposed changes to the trade rules. One of these proposals reads as follows:

"Bills of lading must be dated and show the signature of the carrier's agent within the life of the contract."

Mr. Goemann has asked Eugene Morris, to docket this subject for a hearing by American Railway Asso-



F. G. HORNER
Lawrenceville, Ill.



CHARLES QUINN
Toledo, Ohio



J. O. S. GREEN
Louisville, Ky.



J. W. McCORD
Columbus, Ohio



E. M. WAYNE
Delavan, Ill.



GEO. E. BOOTH
Chicago, Ill.



F. E. WATKINS
Cleveland, Ohio

EXECUTIVE COMMITTEE 1924-1925

ciation lines and, if favorable action is taken by the carriers, no further arbitration cases will arise over the discrepancy between the dates on some bills of lading and the dates on switching or shipping tickets.

Mr. Goemann's unselfish labors in your behalf deserve mention by your secretary who has worked with him and knows his value to the members of the Association. He has been serving without pay, his only compensation being the knowledge that he is doing a much needed service to the grain trade. Without such men as Mr. Goemann it would be difficult to "carry on" because of a lack of funds to pay salaries to professional traffic experts. It is to men of this type that all trade associations owe not only their success but their very existence.

Trade Rules

C. D. Sturtevant, chairman of the Trade Rules Committee, will present at this convention a number of proposed changes in the Association's trade rules. These changes were printed more than a month ago in *Who Is Who in the Grain Trade* so as to give the members an opportunity to study them and come to this meeting prepared to discuss them intelligently.

Mr. Sturtevant, on behalf of himself and the other members of his committee, disavows all sponsorship for some of these proposed amendments. He states that they were merely presented to his committee by different members of the Association at various times during the last 12 months. The authors of these changes believe they are important and they have asked that the convention pass upon them.

Your secretary wishes at this point in his report to pay a tribute of respect to Mr. Sturtevant for the able manner in which he has handled the chairman-

ship of his committee. He has done an immense amount of work for the Association as the replies to the trade rules inquiries published in *Who Is Who in the Grain Trade* amply testify. He is one of the most unselfish and able of the Association's workers and the organization owes him a debt of gratitude for his splendid campaign which he has conducted to bring to the members an appreciation of the value of the trade rules.

Grain Products

E. C. Dreyer, chairman of the Grain Products Committee of the Association, has been asked by your secretary to present to this convention a definite recommendation relative to our jurisdiction in the arbitration of feed disputes.

As the members are aware we have two sets of trade rules. One set concerns rules governing the handling of grain in its natural state and the other set of rules covers feedstuffs. The Association handled but few feed disputes until 1920 when a feed arbitration committee was appointed to arbitrate differences that arose between feed dealers. We have affiliated three feed organizations in the last four years. These are the Eastern Federation of Feed Merchants, the Mutual Millers and Feed Dealers Association and the United States Feed Distributors Association. When the feed and grain interests were allied it became necessary to have feed as well as grain rules. The arbitration of differences growing out of feed disputes is in course of development and is not as far advanced as is the arbitration of grain cases.

Your secretary has been called upon to take arbitration cases involving disputes over such products as ground Alfalfa meal, cotton seed meal, beet pulp and molasses in tank cars. He has declined to accept these cases on the ground that the arbitration rules do not cover them. He has been in a quandary as to just how far the Association should go in arbitrating ingredients in car lots that enter into the manufacture of feed.

Without exhausting the list of such ingredients your secretary might name, in addition to ground Alfalfa meal, cotton meal, molasses and beet pulp such ingredients as ground bone, meat scraps, dried buttermilk, charcoal, salt, calcium carbonate and limestone. All of these ingredients enter into the manufacture of feed in greater or less quantities, some of the feed being made for chicken and some for hog consumption, but the bulk of it going into dairies and for horse feed. All of it is feed in the general acceptance of the word. And then there is hay, which, of course, is also feed.

Now the question is: Which of these ingredients shall be arbitrable? Should the Association arbitrate beet pulp cases and not calcium carbonate disputes; cottonseed meal and not charcoal; Alfalfa meal and not meat scraps? where is the line to be drawn?

Your secretary believes that the better way is to have a definite policy or principle which may be followed without confusion. If we adopt the principle of arbitrating all feeds that come from the mill or feed plant, irrespective of their ingredients, we are on safe ground. If we begin arbitrating ingredients themselves in car lots, confusion and uncertainty arise because each of the products heretofore mentioned is an ingredient the same as are grain and grain products. Molasses is an ingredient, and yet it was never the intention of the Association, I am sure to arbitrate controversies over this product in tank cars. The same may be said about salt, meat scraps, dried buttermilk, limestone, etc.

The Association, your secretary believes, is on safe ground when we arbitrate everything that issues FROM a feed plant or mill and goes into commerce as feed, but we are sure to enter a wide and uncertain field when we attempt to arbitrate the ingredients separately, that is, the ingredients that go in car lots INTO the mill to be mixed into feed.

One thing seems certain: If we arbitrate the ingredients that go into the feed mill we must name each one so that the Association will know just what is arbitrable and what is not because new ingredients are coming into the market every day.

It is hoped that the feed dealers present at this convention will give this matter their most earnest consideration. We are breaking new ground and we should take no step until we are certain where we are going. A mistake now is likely to cause much confusion and perhaps injure arbitration more than help it. When we move forward we ought to be sure that we will not have to retrace our steps later.

Uniform Grades

Since the last annual meeting the Department of Agriculture announced additions to the oats grades by including grades for feed oats and mixed feed oats. These new grades were effective on September 1 last. F. E. Gillett, chairman of the Uniform Grades Committee of the Association, will explain these changes to the convention in his annual report.

RECOMMENDATIONS

Your secretary would respectfully suggest that several of the present standing committees be abolished. These are the committees on Merchant Marine and International Relations and the Hay and Grain Joint Committee and the Milling and Grain Joint Committee.

The Committee on Merchant Marine was instituted at the suggestion of your secretary in 1920 when the problem of keeping the "American Flag on the

Seven Seas" was a live one. It was right after the close of the conflict in Europe when the United States found itself with a great fleet of merchant ships on its hands, the ships having been built during the war. There was then an agitation, both within and without Congress, to place the United States in the forefront of the maritime nations. Since then conditions have changed and many of the boats have been or will be disposed of to private parties.

The International Relations Committee was also launched at the suggestion of your secretary at about the same time as the Merchant Marine Committee. Its purpose was to bring about a closer union between the American and Canadian grain dealers. At the time of the formation of the committee we had a large number of Canadian members but the high tariff wall that has been built around the country at the demand of the farm bloc has taken away from the International Relations Committee its usefulness. Our Canadian members have nearly all left the Association because of the impossibility of doing much business with American grain dealers hence there is now no excuse for the further existence of the committee.

The Milling and Grain Joint Committee and the Hay and Grain Joint Committee perform no useful function. The chairmen of these committees have not made reports to the convention for a number of years. These committees appear to be merely ornamental. Your secretary does not believe it adds anything to the strength or influence of the Association to have on its list committees that do nothing and whose chairmen never have a report to make to you. For this reason he respectfully suggests that the four named committees be abolished.

Advertising Rates

A second suggestion your secretary has to offer relates to membership of large companies which operate in several markets under the same trade name. Under present conditions we do not permit a concern to be listed in *Who is Who in the Grain Trade* in more than one market for the price of one membership, or \$20 a year. If, for example, John Doe & Company does business under the name of John Doe & Company in Chicago, Omaha, Minneapolis, Kansas City and St. Louis, with headquarters, say in Chicago and branch offices in the other cities named, we list the concern, if it is a member of the Association, with the other Chicago dealers but refuse to place the name with the Minneapolis, Omaha, Kansas City or St. Louis dealers unless John Doe & Company takes out memberships in these markets. Our reason for doing this is because we regard it as unfair to the smaller operators who have an office in but one market. John Doe & Company would be securing four times the amount of advertising for the same expense as the smaller members.

Under present conditions John Doe & Company feel that it is too much to expect the concern to pay \$20 for a membership in each market or \$100 in all, and it has been suggested that a charge of \$5 be made for each market in which a large operator wishes to be listed. This \$5 charge would include a subscription for the branch office to *Who is Who in the Grain Trade*.

In the case of large concerns that operate in several markets, but under the names of subsidiary companies in each, the new rule would not apply. Each subsidiary company would be regarded as a complete entity and would be compelled as heretofore to pay for a full membership.

Putting Teeth in Arbitration

Your secretary has a recommendation to make with reference to arbitration. It is that the following words be added to our arbitration contract: "It is agreed that the findings in this case may be submitted to and made a rule of any court of record having jurisdiction over either party hereto and the subject matter involved herein."

The purpose of this addition to the arbitration contract is to bind both parties in advance of the arbitration to pay the award without a subsequent contest in the civil courts. Most of the states in the Union now recognize arbitration agreements and the decisions of arbitration committees. In case the refusal of a litigant to pay an award of an arbitration committee, the one to whom the award has been given is not now required in many of the states to submit to the retrial of the case in the civil courts. All that is necessary to do is to ask the court to accept the record of the arbitration committee and render a judgment accordingly. This is the generally accepted practice in practically all of the civil courts of the land. However, some states, notably Indiana, do not follow this practice, but if the stipulation is made in the arbitration contract that the judgment of the arbitrators shall be "submitted to and made a rule of any court of record having jurisdiction" the matter is clearly and definitely disposed of without the possibility of dispute or controversy. The court is then bound to accept the award of the arbitrators in the total absence, of course, of fraud, partiality, misconduct or manifest error. The addition to the arbitration contract of the words suggested cannot but have a beneficial effect. They will not be needed in states where the practice now is to accept awards of arbitration committees and they may be most useful in other states where the practice of the courts is not so certain and well defined. In any event it

is a step forward in the long struggle of the Association to promote compulsory arbitration.

Arbitration

The work of the seven arbitration committees and the arbitration appeals committee for the year is shown in the following statement:

Number of cases at the beginning of the convention year	30
Number of new cases filed during the year.....	53
Total	83
Number of arbitration decisions during the year	23
Cases withdrawn	5
Cases settled direct	16
Cases dismissed	16
Expulsions for refusing to arbitrate.....	9
Cases pending	21
Total	83
Appeal cases pending at the beginning of the convention year.....	5
Cases appealed during the year.....	8
Total	13
Appeal cases decided during the year.....	5
Appeal cases withdrawn.....	4
Appeal cases pending	4
Total	13

There continues to be a decline in the number of arbitration cases filed. Since the last convention there were but 53 applications for arbitration as against 75 during the preceding year. This decrease is accounted for by the fact that the grain trade has settled down to its pre-war stability. Following the deflation troubles of 1920 there was a rapid increase in the number of arbitration cases. In 1921 there were 157 cases. In 1922 the number was 110, and 81 cases were filed in 1923.

Arbitration is an accurate barometer to trade conditions. When these conditions are abnormal, with extreme fluctuations in the market, the opportunities for disagreement are increased and more disputes are registered with the Association.

Your secretary regrets to inform the convention that it was necessary to expel nine members during



TWO OF THE ACTIVE HOSTS
H. C. Gamage and B. C. Moore

the last year. These expulsions were caused by the refusal of the nine members to arbitrate their trade differences. The expelled members are: The O'Bannon Company, Claremore, Okla., Wenzel Grain & Feed Co., Wichita, Kan., Windfall Grain Company, Windfall, Ind., National Feed Company, St. Louis, Mo., Meier Grain Company, Salina, Kan., Mixed Feed Supply Co., Kansas City, Mo., The Smith-Ward Co., Buffalo, N. Y., J. P. Easton, Monroeville, Ohio, Carolina Milling Co., Inc., Dillon, S. C.

While the number of expulsions has greatly decreased since the troubles of 1921 and 1922 nevertheless there were far too many this year. One would think that the constant effort to educate the members to a higher ethical standard would bear fruit and that the expulsions would be few and far between. There was some excuse for the many expulsions following the deflation because many members found themselves in financial trouble and they were simply unable to meet their just obligations. In other words, they could not pay an arbitration award if one were given against them, and so they decided to stand expulsion rather than arbitrate at all. The conditions of three and four years ago are not present today and yet the directors found it necessary to expel nine members! It is hard to believe that men will voluntarily assume an arbitration obligation and then deliberately ignore it when they are put to the test.

Of course, it is better for the Association to rid itself of such members than to have them in the ranks because their presence in the organization would be an element of weakness and not of strength. In 1921 there were 18 expulsions and in 1922 the number was 23. These figures loom large in the presence of nine expulsions for this year, but last year there were but 4 expulsions. There has, therefore, been

an increase of more than 100 per cent in expulsions this year over 1924. It is to be hoped that the increase will be but temporary and that in 1926 a better record may be shown.

Membership

The complete membership of the Association—direct, affiliated and associate—is as follows:

DIRECT AND ASSOCIATE	
Number of direct and associate members reported at the last convention	1,179
Direct and associate members secured since the last convention.....	201
Total	1,380
Direct and associate members in good standing on October 10, 1925.....	1,096
Number of delinquents.....	52
Direct and associate members lost during the year from the following causes:	
Resignations	129
Gone out of business.....	61
Dropped for non-payment of dues.....	33
Expelled	9
Total	1,380

AFFILIATED MEMBERS	
Affiliated members reported at the last convention	2,857
Affiliated members on October 10, 1925	2,969

Increase	112
DIRECT, ASSOCIATE AND AFFILIATED	
Total number of direct, associate and affiliated members reported at the last convention.....	4,116
Total number of direct, associate and affiliated members on October 10, 1925	4,117
Increase	1

During the present year we secured 201 new direct and associate members. This was an increase of 54 over last year when the number was 147.

While there is a slight loss in direct and associate members there is an increase in the total number of members over one year ago owing to the fact that we secured the affiliation of three new state associations. These are the Massachusetts Retail Grain Dealers Association, the Colorado Grain Dealers Association and the Vermont Grain Dealers Association. These three are all new organizations. Provision must be made at this convention for three new directors to represent these three new associations on our Board of Directors. The Grain Dealers National Association now has 19 affiliated bodies as follows:

- Ohio Grain Dealers Association
- Indiana Grain Dealers Association
- Illinois Grain Dealers Association
- Western Grain Dealers Association
- Missouri Grain Dealers Association
- Kansas Grain Dealers Association
- Oklahoma Grain Dealers Association
- Texas Grain Dealers Association
- Michigan Hay and Grain Association
- Northwestern Grain Dealers Association (Headquarters Great Falls, Mont.)
- Pacific Northwest Grain Dealers Association (Headquarters Portland, Ore.)
- Mutual Millers and Feed Dealers Association
- Mutual Millers and Feed Dealers Association of New York State
- Eastern Federation of Feed Merchants
- Panhandle Grain Dealers Association
- New York State Hay and Grain Dealers Association
- United States Feed Distributors Association
- Massachusetts Retail Grain Dealers Association
- Colorado Grain Dealers Association
- Vermont Grain Dealers Association

There will be no need to explain at length the membership situation because all are familiar with it. In 1920, and just before the deflation set in, the Association had reached the maximum in memberships. Then followed several years of distress to every trade organization in the country. The "flush" times of the war period were over. Many members failed and there were many consolidations. Some were expelled and others were unable to pay their dues. The result, as before stated, was large losses in membership in 1922 and 1923. In 1920 the direct and associate membership was slightly in excess of 2,000, but the troubles of the post-war period rapidly reduced the number. Every trade organization in the country suffered to about the same extent. Since 1922 the net losses decreased until during the present year the number of new members brought in practically offset the number lost. It is hoped that from now on the Association will show a gradual increase each year in the number of new direct and associate members.

At tomorrow morning's session of the convention President Horner will distribute the booster prizes to the four members who secured the largest number of applications during the year. The four prize winners are: First, C. B. Helm, of the Cleveland Grain & Milling Company, Cleveland, Ohio. Second prize, Geo. E. Booth, of Lamson Bros. & Co., Chicago. Third prize, E. C. Dreyer, St. Louis, Mo. Fourth prize, John Stark, Kansas City, Mo.

Mr. Helm landed 19 new members, Mr. Booth secured 15 and Mr. Dreyer has 8 to his credit. Mr. Stark induced 7 to come into the fold.

In 1922 the number of new members brought into the Association was 142. In the following year 158 joined and the last year 147. The booster campaign in 1925 was, it will be seen, more successful than

any that has been conducted by the Association in the last three years.

The thanks of the organization is due to the splendid work of the loyal boosters who year after year unselfishly labor to make good the membership losses. Without these earnest and sincere men it is difficult to see how the gaps in the Association's ranks could each year be filled up.

Every grain association in the country is now affiliated with the National. This speaks well for the high position held by the parent body in the esteem of the state organizations. They realize that in these days of organized legislative effort on the part of the producers every state association must unite in the National Association. Only in that way may their interests be protected.

Financial Statement

A surplus of \$10,884.77 is revealed in the financial statement for the year. This shows a decrease over the surplus of a year ago. The decrease is largely explained by the fact that the Association decided last fall to publish two studies in co-operation. One of these was the brief that was presented to the President's Agricultural Commission in Washington on January 22 last. There were 10,000 copies of this brief printed and there were also printed 10,000 copies of the second brief, which is intended as a text book for agricultural schools and colleges. This second brief is much larger than the first one and contains 126 pages, six by nine inches in size.

It will be seen that much of the decrease in the surplus has been due to the preparation and publication of these two valuable contributions to grain trade literature.

Each year the books of the Association are audited by chartered accountants and the reports of these accountants are presented to the auditing committee appointed by the convention. The financial statement is as follows:

Financial Statement Covering the Period from September 20, 1924, to October 11, 1925, Inclusive

Cash on hand last report	\$10,414.59	
United States Liberty bonds	5,000.00	\$15,414.59
RECEIPTS		
Direct dues	\$19,656.00	
Direct memberships ..	3,885.50	
Associate dues	656.50	
Associate memberships	39.00	
Regular subscriptions to Who is Who in the Grain Trade....	718.00	
Affiliated subscriptions to Who is Who in the Grain Trade	990.25	
Advertising in Who is Who in the Grain Trade	16,549.20	
Sundries	391.15	
Arbitration deposit fees	2,190.00	
Affiliated dues	990.25	
Investments	319.16	
Subscriptions to arbitration decisions book, volume No. 1	15.00	
Total receipts	\$46,304.01	
Grand total		\$61,718.60

EXPENDITURES		
Salaries	\$15,431.58	
Office supplies	1,151.31	
Express and telegrams	208.07	
General printing	422.45	
Who is Who in the Grain Trade	17,578.00	
Office Rent	1,546.02	
Telephone rent and tolls	145.55	
Refund arbitration fees	1,785.00	
Legislative expense ..	3,749.25	
Officers' traveling expense	1,255.95	
Secretary's traveling expense	1,232.19	
Postage	1,165.00	
Sundries	212.99	
Convention expense ..	3,242.67	
Arbitration expense ..	684.67	
Transportation expense	1,043.13	
Total expenditures		\$50,833.83
In Bank		
Commercial account ..	\$3,632.77	
United States Liberty bonds	5,000.00	
Certificates of deposits	2,000.00	
Petty cash account ..	327.00	
	\$10,959.77	
Outstanding checks ..	75.00	
		10,884.77
		\$61,718.60

Conclusion

Your secretary feels that he would be somewhat remiss in his duty to you were he to close his report without reference to the loyal support he has received from President Horner, who has given the Association a most admirable administration. He has not hesitated for a moment to sacrifice his time and ability in your behalf. He has given you a service that is invaluable and has done it quietly and unostentatiously with no thought of reward save the consciousness that he has been performing a duty to the grain trade. His judgments have been eminently sound and sane. He has traveled much during the last year addressing state conventions and build-

ing up that unity of purpose without which all of our labors would be unavailing.

To the chairmen and the members of the various committees your secretary expresses his thanks for their splendid aid and co-operation. This is especially true of the chairmen of the various arbitration committees and the Appeals Committee and the chairman of the Legislative Committee. A. E. Reynolds, who has directed the legislative work for many years, is as efficient, as resourceful, as earnest and as loyal as ever. No report from the secretary of your Association would be complete without mention of him. He is always present when needed and his long experience and ripe judgment are invaluable assets to the members.

Mr. Green: Does that list of new members include membership up to this convention?

The Secretary: To about a week before the convention.

The President: There were several important recommendations made in the secretary's report that should have mature consideration, and it is possible that could be best secured by the appointment of a committee? What is the pleasure of the convention?

Mr. Wayne: I move the Chair appoint a committee of five for the consideration of the recommendations made in the secretary's report. (Seconded by Mr. Green).

Mr. Goodrich: It occurred to me it might be best to divide this, and have the portion referring to arbitration sent to the Arbitration Committee, or a committee made up from the arbitration committees. They are more familiar with that part of the work.

The President: Will you accept that amendment, Mr. Wayne?

Mr. Wayne: Yes, sir.

Mr. Sturtevant: It doesn't seem to me that that

criminating against territory and individuals, that they believe the Interstate Commerce Commission under the Transportation Act has no jurisdiction covering settlement of claims, even though such rules create discrimination.

For illustration, carriers in Eastern Trunk Line territory, on ex-lake shipments, assume the shortage on all grain in excess of $\frac{1}{4}$ of 1 per cent of the contract lot. On shipments destined to points in Trunk Line territory the Central Freight Association lines, according to B. T. Jones Tariff, pay claims in full without deduction when carrier is liable.

In Western Trunk Line and trans-continental, also Illinois territory, carriers deduct $\frac{1}{4}$ of 1 per cent on corn, but only deduct $\frac{1}{8}$ of 1 per cent on all other grain when carrier is liable. The L. & N.; M. & O.; Tennessee Central; and N. C. & St. L. roads provide for $\frac{1}{8}$ of 1 per cent deduction on all grains and the Missouri Pacific makes that provision on all grain when for export, but on domestic grain it carries a requirement of $\frac{1}{4}$ of 1 per cent on corn.

In view of the carriers' position and our inability through negotiations with them to get a uniform deduction and rules on all grains in all territories and the doubt that the Interstate Commerce Commission have no jurisdiction covering claims, we believe that we should ask Congress to amend the Transportation Act and definitely cover this point. We should ask the deduction be limited to 60 pounds per car to cover handling and sampling per car, in line with the law in effect in Minnesota, and we should also ask that there be included in the amendment the payment by the railroad company the attorney fees in action for loss of grain shipped in line with the Kansas law and which the Supreme Court of Kansas on May 9, 1925, held valid.

This would enable all shippers to file their claims



ROOTERS FOR IOWA'S TALL CORN
C. L. Douglas, S. W. Wilder, Ray Murrell, Jr., Carp Carpenter

suggestion of the secretary has anything to do with the mechanics of the actual arbitration cases. It is simply a legal question which establishes what will be done with the decision after it is rendered, and it doesn't seem necessary to limit the motion by referring that to the Arbitration Committee.

Mr. Goodrich: I will withdraw my suggestion.

Mr. Wayne: I think Mr. Sturtevant's point is well taken, and will let my original motion stand. (Motion carried).

The President: I will announce the personnel of the committee later.

We will now have the report of the Committee on Transportation, Henry L. Goemann, chairman.

REPORT OF TRANSPORTATION COMMITTEE

YOUR committee begs to report as follows:

Claims for Shortage on Grain in Bulk
This subject has been before the carriers ever since the opinion of the Interstate Commerce Commission was issued in Docket 9009. The carriers through R. H. Ashton, president, American Railway Association, have now definitely declined to correct their tariffs, so that the tariffs of all carriers would read that the deduction on all grains would uniformly be $\frac{1}{4}$ of 1 per cent for loss in weight on claims filed.

The Interstate Commerce Commission in their opinion, per Docket 9009, suggested to the carriers that the tariffs carry the rule of $\frac{1}{4}$ of 1 per cent deduction, but carriers have not complied with this suggestion where the tariffs had carried a deduction of $\frac{1}{4}$ of 1 per cent on corn.

It is evident, in view of certain carriers publishing the $\frac{1}{4}$ of 1 per cent deduction on corn, thus dis-

criminating against sections of country and individuals when they were not making uniform deductions on all grains and making a larger deduction on corn, as in my experience there is no natural shrinkage in grain while in transit in a tight weather-proof box car and loaded to within 24 inches of the roof.

I have always contended that the carriers were discriminating against sections of country and individuals when they were not making uniform deductions on all grains and making a larger deduction on corn, as in my experience there is no natural shrinkage in grain while in transit in a tight weather-proof box car and loaded to within 24 inches of the roof.

I believe my investigations have given me proof that will convince Congress on this point. Let me illustrate a case of discrimination:

A dealer in Toledo, Ohio, buys a car of corn in Des Moines, Iowa, also one in Springfield, Ill., also one in South Bend, Ind., also one car in Bryan, Ohio, and routes them all via New York Central Railroad to Toledo. On the Iowa and Illinois cars, owing to the clause in the tariff, the buyer has to deduct $\frac{1}{4}$ of 1 per cent on the cars of corn while on the South Bend and Bryan cars he is paid in full or deducts $\frac{1}{8}$ of 1 per cent in accordance to the tariff, where in each case the carrier was liable, we will say on account leaky cars. This is my view of discrimination, both as to territory and individual as shown by the delivering carrier making different settlements for the movement over its road.

I believe, as to discrimination, a telegraph case that was taken to the Supreme Court of the United States would govern on the question of variable deductions on grain. I will quote a few paragraphs of this decision as rendered by Justice Brandeis:

The lawful rate having been established, the company was by the provisions of Section 3 of the Act to Regulate Commerce (Compiled Statutes, Sec. 8565)

prohibited from granting to any one an undue preference or advantage over the public generally. For, as stated in Postal Telegraph-Cable Company vs. Warren Godwin Lumber Company, supra 30, the "Act of 1910 was designed to and did subject such companies as to their interstate business to the rule of equality and uniformity of rates. The limitation of liability was an inherent part of the rate."

The Act of 1910 introduced a new principle into the legal relations of the telegraph companies with their patrons which dominated and modified the principles previously governing them. Thereafter, for all messages sent in interstate or foreign commerce the outstanding consideration became that of uniformity and equality of rates. Uniformity demanded that the rate represent the whole duty and the whole liability of the company. It could not be varied by agreement; still less could it be varied by lack of agreement. The rate became, not as before a matter of contract by which a legal liability could be modified, but a matter of law by which a uniform liability was imposed.

Resolution

In view of the Transportation Committee's report that the long drawn out negotiations with the carriers have proven futile and that there is no possibility of securing uniformly the $\frac{1}{4}$ of 1 per cent deduction on corn, therefore:

I beg to move that the Transportation and Legislative Committees jointly request Congress to amend Section 20 of the Transportation Act in line with the following:

Provided, however, that in the settlement of claims for loss of or damage to bulk grains of all kinds the deduction for assumed unavoidable waste or loss in handling, including sampling, shall not exceed 60 pounds per car, and the tariffs and rate schedules shall so provide.

Provided further, that where grain heats in transit and the loss resulting therefrom exceeds 60 pounds per car, and that the carrier is not otherwise liable for said loss, the ascertained actual amount of the loss due to heating of the grain shall be deducted.

I also move that the Transportation and Legislative Committees jointly request Congress to amend the Transportation Act or pass a statute similar to the Kansas statute making a railroad company liable for a reasonable attorney's fee in prosecuting an action for loss or shortage of grain shipped.

I therefore trust if you agree with me that you will pass a resolution at this convention instructing your Transportation and Legislative Committees to bring this matter to the attention of Congress and that an amendment to the Transportation Act be passed. With the help of our members, through informing their congressmen and senators of their views, and the necessity of the amendment and that the farmer will be benefited, it no doubt will receive favorable consideration.

Bulkhead Cars

This subject has been before W. B. Hardie, director, Bureau of Traffic, Interstate Commerce Commission, Washington, since 1923. Mr. Hardie's replies have been that owing to pressure of other important matters, he has not been able to give this subject the necessary consideration. The only thing that I can suggest is that a formal complaint be filed, if the matter is of such importance as to warrant the expense.

Correct Dating of Bills of Lading

This subject has been referred to our committee owing to complaints from buyers that bill of lading dates do not always agree with the date of loading and date billing is furnished to the carrier serving the industry. Buyers demand that the bill of lading date comply with the contracts of purchases and are unwilling to accept weight and inspection certificates as the evidence of billing and furthermore claim it is not up to them to furnish the proof.

It will be noted the Interstate Commerce Commission issued an order on this subject on May 20, 1911, and being "Third Supplemental Order Relative to Irregularities in Dating Bills of Lading."

The Commission states, "In cases where switching tickets show consignee and destination and are in effect, informal bills of lading issued by initial carriers, we do not now perceive any objection to the issuance of more formal bills by line carriers, based thereon and conforming to the date thereof."

I have requested Eugene Morris to have this subject docketed for a hearing and action by American Railway Association lines and to adopt the following rule:

The day or date on which shipping directions showing consignee, destination and route are given by shippers to carrier serving the industry making the shipment, must govern as to date of bill of lading issued by the carrier forwarding the property.

I presume the carriers will docket this subject for early action.

Proposed Changes in Uniform Diversion and Reconsignment Rules

A number of conferences were held on this subject between receivers and shippers and the carriers and our Association's Transportation Committee, also the National Industrial Traffic League Committee on Diversion and Reconsignment.

It was finally decided that the League's Committee, through their arbitration agreement with the carriers, submit our differences for arbitration to R. V. Pitt, assistant director of traffic of the Interstate Commerce Commission. Mr. Pitt has submitted under date of September 2, the following conclusions and recommendations in the premises.

The changes suggested are as follows and they will be considered in the order in which they are stated:

RULE 16

(a) That free time to be extended from 24 hours to 48 hours after first 7 a. m. after the day on which notice of arrival is sent or given to consignee or party entitled to receive same.

Does Not Recommend Its Adoption

(b) That Note 1 of Rule 16 provides that bill of lading may be surrendered to any officer of the carrier where diversion orders are commonly executed, without the imposition of service charge (\$6.30 in Eastern Group), provided it is surrendered with the period of free time.

Does Not Recommend Its Adoption

(c) That the rule should also specify where there is no hold yard that no charge may be enforced if or when car is placed on private siding for carrier's convenience.

Does Not Recommend Any Change

(d) Regarding Note 4 of the Rules, that the language of the original order of the Interstate Commerce Commission in Docket 10173, in respect to bonds, should be observed. Blanket bonds or other satisfactory assurance should be accepted, and that Note 4 should be changed to so provide.

Mr. Pitt's Decision

No sufficient grounds have been shown for the further changes in Note 4 of Rule 16 included in the League's proposal. Except, therefore, for the modification suggested below this proposal cannot be approved.

Note 4: When the original bill of lading covering an order-notify shipment is not available and a certificate to that effect is executed by the consignee or claimant, the shipment will be delivered upon an indemnity bond (either individual or blanket) or other satisfactory assurance in lieu of the bill of lading, provided that where a bond is executed a condition of the same shall be that the bill of lading will be obtained and surrendered immediately upon receipt of advice by the party executing the same that the bill of lading is available.

It is not intended that the provisions of this note shall in any way modify the application of Rule 7 of the Consolidated Classification.

Rule 11

That Rule 11 (b), be modified to conform to the provisions of Paragraph 2, Section B, Demurrage Rule No. 3.

Does Not Recommend Its Adoption

You will note that the shippers have not secured any recommendations for any change in rules except



HENRY L. GOEMANN, TOLEDO, OHIO

a slight modification in Rule 16, Note 4, wherein the carrier is to accept a blanket bond and which many carriers at present are refusing to accept.

The arbitrators report is quite a lengthy one and I will be glad to read same if desired. I presume, however, the report will be published by the trade journals.

Code Messages

Our Association and also the National Industrial Traffic League have endeavored to interest the various grain and other trade exchanges and associations on this subject but with no success. Invariably the reply has been our members are not interested, claim no losses account errors and therefore will not subscribe to a fund to bring a formal case before the Interstate Commerce Commission.

There have been several decisions by state supreme courts, one from Maryland and a later one from the Supreme Court of North Carolina.

The Carolina case was by Thomas G. Hardie & Co. versus the Western Union Telegraph Company, and the decision was, "Telegraph company not liable for error in cipher message."

Stipulation on telegraph blank exempting company from liability for error in cipher messages, held valid against sender of interstate message, especially in absence of showing that defendant knew or had notice of the value of the message or was guilty of wilful misconduct or gross negligence.

This means that in order to secure a different court decision a formal case must be brought before the Interstate Commerce Commission and I believe along the lines of my recommendations in last year's report.

Filing Time Postal Telegraph Company

No progress has been made on this subject, the Postal Telegraph Company demanding pay for the

extra words necessary to cover the time. However, my last letter to Edward Reynolds on this subject has had no reply. Will continue to press the subject.

Mr. Green: I move the resolution suggested by Mr. Goemann be referred to the Resolutions Committee for action. (Seconded by Mr. Clement and carried).

The President: In connection with this, I would say that it is intended that the Resolutions Committee will bring in its report tomorrow instead of waiting until the last day of the convention.

Mr. Goodrich: Might I ask Mr. Goemann a question? Your recommendation is as to when a car should be billed out and the bill of lading issued?

Mr. Goemann: No.

Mr. Goodrich: Will you explain that a little for us?

Mr. Goemann: Perhaps this letter under date of August 31, 1925, will explain the position we take: "I herewith request that you docket for a hearing of all the American Railway Association lines, so as to secure a uniformity in the matter of the issuing of bills of lading for the shipments of grain when loaded at elevators, and which plants may be served by belt roads or carriers other than the road which will secure the line haul, so that the bill of lading itself will correspond to the actual date loaded. We are having a great deal of trouble, and the question has come to us frequently for market differences as have been, before our arbitration committees for adjustment, because the dates on the bills of lading are not the same as the dates on which the cars are loaded and shipping instructions given to the carrier serving the industry; and this is especially the case where the contract shipping time expires on a Saturday, due to the offices of the carriers being closed on Saturday afternoon, the shipper is unable to get his bill of lading until Monday, and the Monday date is used instead of the date of Saturday, on which date car was loaded. We would like to have the following rule adopted: 'The day or date on which shipping directions showing consignee's destination and route are given by shippers to carrier serving the industry making the shipment, must govern as to date of bill of lading issued by the carrier forwarding the property.'"

Mr. Morris, chairman of the Central Freight Association, replied on October 9, 1925, as follows:

"Would advise C. F. A. roads' representatives at meeting here on the eighth inst., gave consideration to all of the facts bearing upon this matter, and as a result made the following record: 'Carriers are complying with the law, which is in accordance with your request, except in cases where the complete shipping instructions are not in the carrier's possession to enable them to have the bill of lading date correspond to the actual date shipment is loaded.'"

The Southwestern Association has not answered. That means if you are on a switch road or load on a team track, you make up your switching ticket. That switching ticket should have all the information on it. This is clearly indicated in a case just decided by the Interstate Commerce Commission, which decision is published in the *Daily Traffic World* under date of October 2, 1925. The man loaded this car for redistribution, but neglected to say upon his switching ticket the destination and the name of the party to whom it was to be billed. At midnight of that day the rate advanced. He furnished his directions to the Santa Fe Road the next day, and because the switching ticket did not include that day, on three cars L. C. L. he was compelled to pay the increased freight rate; but the Commission decided that had the shipping tickets contained the destination and consignee, the old rate of freight would have been put into effect.

Mr. Goodrich: That does not apply to shipments on main line?

Mr. Goemann: Yes, certainly, the same way. You give your directions to that carrier at once. We had a case from Cincinnati that went to the Arbitration Committee. The office was closed, and the Joint Rate Bureau was closed. However, the Bureau has nothing to do with this except to endorse the rate payable, and has nothing to do with the date whatever. The car was loaded on the B. & O. and went Panhandle to Pittsburgh. The date on the bill of lading was on Monday, and the contract shipping time expired on Saturday.

Mr. Goodrich: In many of the smaller towns, where they work eight hours and only have one freight agent, he quits work regularly at three o'clock in the afternoon, and you cannot get anything done until the next morning.

Mr. Goemann: If you have the date certified to as the date you have loaded, and you put it in his office, and he finds it there when he gets there, you can compel him to complete that bill of lading with the proper date. It is up to the men to see that their shipping directions, which are the first ones given to the carrier, whether it be the switching road or the line haul road, contain the full directions on that first shipping ticket, and the commission has decided that the line haul carrier shall have his dates correct. In Chicago they take that switching ticket to the Joint Rate Inspection Bureau maybe Monday, because they close their office on Saturday, but that applies only to rate and not date of bill of lading, but they date the bill of lading as of Saturday. They have a rubber

J. W. McCORD
Columbus, OhioA. S. MacDonald
Boston, Mass.S. C. ARMSTRONG
Seattle, Wash.E. H. BEER
Baltimore, Md.

stamp "This car received under switch ticket from Rock Island R. R.," which date conforms to the date above, and that makes a definite contract, and there is no conflict of testimony as to the date on which a shipment is tendered.

There is another matter I would like to bring up for those who are interested in Central Freight Association territory. I wrote Mr. Morris about a hearing as to grain doors, and under date of June 8 he replied as follows: "Would advise it is a public hearing which is to be held October 14, and you are welcome to attend. Furthermore, the carriers' proposition does not contemplate that they will discontinue furnishing grain doors free of charge to shippers of grain, flaxseed, cottonseed or paddy rice. In other words, what the carriers have in mind is to continue furnishing grain doors free of charge to shippers for shipments of grain, flaxseed, cottonseed and paddy rice in bulk, but not to furnish them for other commodities."

A number of our members have been notified of this hearing, and they are under a different impression from that stated in his letter.

Mr. Watkins: How much of that report is referred to the Resolutions Committee?

Mr. Green: Just the last part of it.

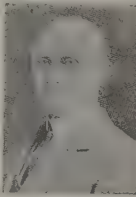
Mr. Watkins: The chairman has made several recommendations that might be made the subject of resolution.

Mr. Green: The resolution offered by Mr. Goemann is the one I suggested be referred to the Committee on Resolutions.

The President: Your motion contains no action as to the balance of the report?

Mr. Green: No, sir.

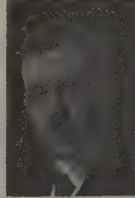
Mr. Goemann: I would like to have you decide what you desire to do about the bulkhead proposition. It looks as though we would not get any action from Mr. Hardy. The carriers are not in favor of waiving

H. B. FOWLER
Charlotte, N. C.E. M. WAYNE
Delavan, Ill.H. M. STRATTON
Milwaukee, Wis.

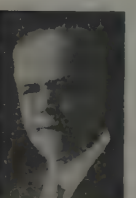
not losing money. I cannot believe that, because we have had too many complaints about the losses, but you cannot collect for errors in code messages. The liability on other messages has been enlarged through the efforts of this committee. Prior to the New York meeting the liability was \$50; now it is \$500 on plain written messages where the company, through the character of the message, is advised that it is an important message.

Mr. Green: What sort of evidence do you have to give to the telegraph company that it is an important message?

Mr. Goemann: That is best answered by the decision of the Supreme Court of North Carolina which I quoted in my report. At the hearing in New York I submitted an insurance plan, an extra charge, just the same as you put on a special delivery stamp or pay a registration fee. There was no data to go on as to leases. In this hearing it was pointed out that the Postal Telegraph Company never paid a claim on interstate messages, but only on intrastate messages when the laws of the state compelled the company to pay. The Western Union said they paid claims for business purposes. In view of the telegraph company filing no schedules or rates with the Commission, the Commission has taken the blank as the language of the conditions under which it accepts and you send the message, and therefore the terms on the back of the telegraph blank are binding upon you when you send the message and it gives you an option of repeat message at double the rate to protect yourself against error, but of course that is impossible in a grain message. My notion was, in the absence of data on losses, that a rubber stamp be put in the corner "Insured Message," and you state what the loss might be, a thousand dollars or two thousand dollars, and so on, and that the rate shall start from \$500 and run up to \$5,000. We wanted that put in until the Commission could

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Hamburg, N. J.H. R. WILBER
Jamestown, N. Y.A. L. MEINERSHAGEN
Higginsville, Mo.DONALD A. DAILEY
Rochester, N. Y.J. R. MURRELL, JR.
Cedar Rapids, IowaF. E. GILLETT
Nashville, Tenn.H. L. SHELLENBERGER
Lyons, Kan.GEO. E. BOOTH
Chicago, Ill.E. C. DREYER
St. Louis, Mo.F. E. WATKINS
Cleveland, OhioJ. W. GREER
Minneapolis, Minn.

DIRECTORS OF THE GRAIN DEALERS NATIONAL ASSOCIATION, 1924-1925

W. M. RANDELS
Enid, Okla.W. W. MANNING
Fort Collins, Colo.W. CAREY COOK
Fort Collins, Colo.L. W. FORBELL
New York, N. Y.

this charge of \$5 a car. I submitted a drawing, and asked that there be inserted in the tariffs that where bulkhead was built according to that drawing the charge of \$5 should be waived, but where the man did not comply, then the charge was to be made. Built according to the drawing I submitted, the bulkhead would not injure the car. The carriers have not seen fit to recommend that, and I question whether we will get anywhere. When we go before the Commission with a formal case, it costs four or five thousand dollars. You must print formal briefs, and there are attorney fees, and the question is whether this bulkhead charge affects enough people to justify the expense of a contest.

Mr. Green: I have had occasion several times in the past year to investigate this charge of \$5, and I believe in a majority of cases the car is damaged by that bulkhead to some extent. We have had quite a number of small shipments come to us from various points in Indiana and Illinois, and I have taken occasion to go and examine the car, and there is undoubtedly damage to the car after the bulkhead is removed, and I believe, so far as our market is concerned, it is not worth the effort to try to do away with this charge. I think it is a fair charge.

Mr. Goemann: Were there two kinds of grain in the car or three?

Mr. Green: Two.

Mr. Goemann: Then it wasn't properly built.

Mr. Green: But we don't know anything about the bulkhead car until we buy it, and it is usually from a small place where they are not properly equipped for building the bulkhead.

Mr. Goemann: Any one can put that in.

Mr. Green: Yes, they can, but they don't. Louisville has about come to the conclusion that some times it is a fair charge because the car is damaged.

Mr. Sturtevant: I think I can speak for Omaha and possibly for others of the western primary markets, when I say that the bulkheaded car coming into the primary market is a nuisance. We recognize that in some cases shipments have to be made in bulkheads, but to the unloading terminal elevator it is a nuisance and expense, and we would very much like to see the bulkhead go out entirely. That cannot obtain perhaps, but I do not believe the Association should expend a lot of money to try to change this charge, and I move that the latter be laid on the table. (Seconded by Mr. Clement, and carried.)

Mr. Goemann: What action do you wish taken in the matter of code messages? That is important, but evidently many of the grain exchanges of the country are not interested. They say their members are

GEO. B. WOOD
Buffalo, N. Y.H. W. REIMANN
Shelbyville, Ind.JOHN STARK
Kansas City, Mo.L. C. McMURRY
Pampa, Texas

decide from actual figures whether the basis we had established was sufficient to cover the losses. With that notice, an insured message, valued so much, they charging so much for the insurance, there is a direct notice to the carrier that it is a valuable message because you are paying him for a service. Unfortunately, the leading grain exchanges, through Mr. Robbins, of the Chicago Board of Trade, did not sustain our view. They wanted the company to be liable for any loss, \$10,000 or \$20,000, and of course the Commission would not accept that. My idea was that by eliminating words like "affray," "affrighted," "afford," and so on, in sequence, and using only English dictionary words familiar to every operator, and with the insurance feature, we could cover all of these cases, but we cannot raise the money because the exchanges say they are not interested, and that ends it. I would like to be discharged from following this up.

Mr. Green: I move the question be laid on the table. (Seconded by Mr. Sturtevant, and carried.)

Mr. Goemann: The next question is as to the filing time on messages with the Postal Telegraph Company. Vice-president Reynolds is very much opposed to it. The Western Union is taking advantage of our report last year, and is circulating widely the information we gave there. I wish something might be done to relieve the committee of further action along this line. I do not believe you would care to pay the Postal Telegraph Company for this service, for if you did, the Western Union would withdraw it.

Mr. Green: I believe we are all pretty well sold on Western Union service.

Mr. MacDonald, Boston: Why does the Postal Telegraph Company object to putting on the filing time?

Mr. Goemann: On account of the increase in work, and the cost involved in sending it. They do put a filing time on the message in cipher, and they have a key, and you can go to the message in the office and find out the time through the key.

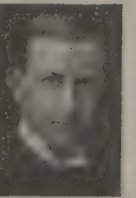
Mr. MacDonald: The received time, but not the sending time.

Mr. Goemann: Yes, the sending time.

Mr. MacDonald: I have always felt the Postal Telegraph Company were ashamed to put it on.

Mr. Goemann: No, you can get the filing time in cipher. Mr. Reynolds told me the number of words it would add if they put this on; it ran into very large figures. There were some very heavy losses on the Cotton Exchange at New Orleans, and they also sent a committee to the New York hearing.

Mr. Green: The Chairman of our Transportation Committee deserves our gratitude for his efforts to correct a lot of these abuses, but it does not seem

W. J. EDWARDS
St. Louis, Mo.W. G. KIRKPATRICK
Great Falls, Mont.JOHN M. COUP
Saginaw, Mich.A. H. HANKERSON
San Francisco, Calif.

that we can get anywhere on this. I would like to see this matter laid on the table for the time being, and will so move. (Seconded by Mr. Clement, and carried).

Mr. Goemann: I believe that takes care of the different items in the report.

The President: Thank you, Mr. Goemann, for this report. The Committee to which the secretary's report will be referred are C. D. Sturtevant, chairman; B. E. Clement, Waco, Texas; C. E. Graves, Weston, Ill.; W. T. Hale, Nashville, Tenn.; and J. H. Caldwell, St. Louis, Mo.

If there is nothing further, a motion to adjourn is in order.

Mr. Goodrich: I move we adjourn. (Seconded by Mr. MacDonald, and carried).

MONDAY NIGHT SMOKER

The festivities of the first day of the convention reached their climax in the evening, when all delegates present were the guests of the Kansas City Board of Trade at a smoker at the Kansas City Club. A buffet supper was served on third floor of the new club house at seven o'clock, and this was followed by excellent entertainment. The attendance was large, occupying all available seats on the floor of the dining room as well as on the mezzanine floor.

Among the popular numbers rendered was a series of songs by the quartette sponsored by the Kansas City Board of Trade, among the members of which were Harold Spencer (bass), a pit broker, and Jim Durham (tenor), of the Norris Grain Company. Applause and prolonged cheering of the quartette had hardly ceased when Dave Davidson, of the Norris Grain Company, was introduced, and rendered a number of humorous selections in his guise as a black face comedian. The program was further embellished by dance numbers and the leading act from the current bill at the Orpheum Theater.

The master of ceremonies, who divided the entertainment and added to the laughter of the occasion by his humorous introductions and good natured comments was W. C. Goff, of Goff & Carkner Company. To render his official status more secure and to be assured of docile response to his commands for silence, Mr. Goff was equipped with a police whistle of no uncertain tone, which gave him the semblance of either a football coach or a traffic officer without the conventional regalia, though there can be no doubt he regaled the convention ably.

At the conclusion of the musical and dancing numbers, the floor was cleared and a ring erected so that a series of amateur boxing bouts might be staged for the edification of the visiting grain men. The ring events were refereed by Mr. Brock, the athletic director of the club, and an enthusiastic applause followed the athletic entertainment. At the conclusion of the evening's amusement several selections were offered by a quartette formerly broadcasting for the *Kansas City Star*.

During the lapse of time between concluding the first part of the entertainment and the commencing of the boxing events, Mr. Goff announced the award of prizes for those who had participated in the golf tournament of grain dealers during the afternoon at the Mission Hill Golf Club. First prize for low net score was awarded R. N. Archer, Memphis, Tenn., 80-10-70; second prize was awarded N. K. Thomas, St. Joseph, Mo., 86-16-70; and third prize, Roy Faeth, Salina, Kan., 83-12-71. The prizes, all of which were awarded by the Kansas City Board of Trade, were as follows: First, a leather golf bag; second, a Master Model steel shaft driver; and third, a sweater. The first prize for low gross score went to J. W. Redick, Omaha, Neb., with a score of 78. The award was a gold trophy.

Tuesday Morning Session

THE convention was called to order by the president at 10:15 a. m.

The President: During the past year an abnormal situation in the world's supply of foodstuffs has focused public attention on the subject of future trading in grain in a way that makes it particularly important today. We have with us today the president of the Chicago Board of Trade. He has very kindly consented, after he has spoken, to answer any pertinent questions you may care to ask, and a general instructive discussion of the entire subject of future trading would be welcome at this time. I have the very great pleasure to introduce to you this morning President Frank L. Carey of the Chicago Board of Trade (Applause).

ADDRESS OF FRANK L. CAREY

AMERICAN grain exchanges are entering an era of greater public service in which there should be "no intermingling of politics and economics." A single year of political freedom will demonstrate the far-reaching effect of the new regulations. If we are given the friendly aid we have earned the whole problem of grain marketing is solved. I can so state with utmost sincerity. On the other hand, if a new Congress is to turn ear to the outcries of a

voluble minority, then the exchanges must continue in turmoil and cannot function to the best interests of the country.

A ray of hope for business lies in the fact that we have in Washington an administration that is not easily swayed by the mouthings of small groups seeking class laws. There can be no doubt that we have been passing through one of the most exciting and difficult periods in the history of grain marketing. By reason of a curious link in circumstances the exchange has remained in the public spotlight constantly during the past two years.

Turning to the early months of 1924 we find the grain trade greatly exercised, and properly so, over the menacing congressional situation. The McNary-Haugen Bill—a danger to the entire nation, was being rushed forward with amazing speed. Its many complications were causing wide confusion and in a large measure obscuring its real danger. In the early period of this movement to enact the export corporation bill there was grave danger of placing the measure on the statute books. And very largely because only a small group of people realized the socialistic factors hidden in the depths of the complicated bill.

It was left to the grain trade, with the Grain Dealers National Association leading the way, to draw back the curtains and show precisely what it meant, and what lay ahead for commerce if such socialism were to be indulged in. For months the exchanges struggled against the flood of propaganda intended as a smoke screen for the public, while the real work of pushing the bill forward was carried on.

But fortunately business interests generally at length came to the sharp realization that enactment of this particular bill would reach out to every in-



FRANK L. CAREY, PRESIDENT CHICAGO BOARD OF TRADE

dustry. It would be the first step toward socialization. It would be the initial blow, and a vital one, against the business structure so soundly built by American genius. The bill failed, as it should have failed. Congress adjourned. And business generally gave a sigh of relief. But it had been a long hard fight for the grain trade, and one to which it should not have been subjected.

I have mentioned this in some detail simply because it is one of the many instances where the exchanges have been compelled to fight for their existence because of unfair, ridiculous threats to enact laws which would compel the closing of their doors. It is only proper to say that had the grain exchanges been given freedom from vicious attacks of politicians for a period of a year or two at any time in the last 10 years, they would have been able to work out constructive measures that would have been beneficial to agriculture and commerce generally. But instead of such relief they have been compelled to drain their resources in a battle for existence against selfish politicians and farm organizers whose sincerity is an element of considerable doubt. It is well known in the grain trade that some of the most rabid proponents of grotesque legislation are utterly unskilled in the subject of grain marketing. They coin a few catch phrases that appeal to the public mind, and particularly to the imagination for the farmer, and upon those phrases build their arguments of legislation.

Referring to the period following defeat of the export corporation bill, you will recall that prices were high and that during the summer and autumn months of 1924 the grain exchanges were perhaps in better public favor than at any time in history. The reason is obvious. Congress had adjourned, grain prices were very high, the grain exchanges through their widespread market reporting systems had shown that crop shortages existed in surplus wheat countries, and everything generally was as it should be. Ameri-

can farmers had an enormous crop and the world wanted this crop and was willing to pay high prices.

Without any sensational spurts the price of wheat climbed steadily, constantly, until just before the presidential election in November when politicians began confusing the market. Opponents of the present administration circulated reports that high wheat prices were a political scheme and that they would collapse immediately after election. This depressed prices somewhat, but after the election of President Coolidge the nation's absolute confidence in his capable leadership was expressed in the markets for commodities and securities. Prices rebounded to their true values.

More and more the dangers of a world wheat shortage became apparent, and with such evidence at hand other nations began clamoring for America's wheat. The great central market at Chicago acted just as a highly efficient market should act under such circumstances. Moreover there would have been no depressing effects later had the market been permitted to function in its natural way. But just as frequently happens when there is danger of a famine in any staple food commodity, a wave of public speculation swept the country. From coast to coast the headlines screamed the news that a world wheat shortage was probable. And everybody began buying wheat, and, almost everybody believed that there would be a wheat famine, including leading statisticians, reporting bureaus of foreign governments, and virtually all other official agencies which look at such matters from a neutral point of view.

But speculation had gotten underway and succeeded in carrying prices 30 cents higher than their true value, and when the collapse came prices were carried that much below their normal value before they recovered.

It was a most unhappy circumstance for the exchanges. While it is possible that the decline may have been aided by large individual trading, just as the extreme rise was aided by large individual trading, the fact remains that without the huge volume of public trading there could not have been these extreme swings. Moreover it is only fair to say that the exchanges were blamed far in excess of any possible wrong doing on their part. As a matter of fact, under the circumstances the exchanges performed their functions in a manner in which they can be highly proud. The marketing machinery was being badly treated by the enormous volume of speculation and the machinery acted extremely well under such unfortunate circumstances. It is a significant fact and a point of pride that there were no failures. It was an emergency that might not occur again in a decade. And one that had never occurred before. A railroad may have a wreck because of some faulty equipment which had never before proved faulty. And the grain exchange in the same general way was called upon to correct an eventuality which it had not been able to foresee. It was recognized that the Chicago Board of Trade is fully capable of meeting unusual situations which occur from time to time in the normal course of business. But it was also discovered that it was not adequately equipped to meet such unprecedented emergencies as that which obtained early this year.

So immediately the exchange set about to take stock of its capabilities and its incapacities. Committees of very able men, men who have devoted their lives to the grain business, began a series of meetings with the entire membership. Studies of certain phases of the marketing machinery were begun and surveys were made of the views of individual members on points that had been developed. In an intense effort to strengthen the channels through which the exchange business flows, these various committees worked night and day over a long period.

It has been a tremendous task. In this task we have had the able advice and co-operation of the Secretary of Agriculture. As you know, it is the duty of that department to supervise the grain futures market and be responsible for its efficient conduct. Constructive suggestions which were made by Secretary of Agriculture have already been carried out in the program of revisions. In addition, the exchange, upon its own initiative, has taken other steps of vital importance, steps which will go far in meeting or preventing future emergencies such as that which brought on criticism.

Let it not be thought that the grain exchange has had to be driven into action. Every member was keenly aware of the desirability of supplementing our present rules with provisions which would obviate future disturbances. Members of the exchange are the first to feel the unhappy effects of a price situation which is not normal. It matters not whether these members are helpless to change the condition. It is only human nature that their customers should hold them responsible and express their dissatisfaction in various ways. Hence the members of the grain exchange are more anxious than any one else that the machinery should function in the most efficient manner possible.

Today the exchange has met the criticism from the outside. It has done the things which friends and critics felt it should do. The changes have come from within and hence are more valuable, more to the point, and will operate more effectively than had they been placed on statute books in a rigid, arbitrary

manner which is the custom when lawmakers inject legality into economics. The changes which we have made are vital, far-reaching, and should positively eliminate once and for all the unfair criticism against the exchange.

I presume there will always be those who, for personal reasons, or for lack of information, or because of various individual views, will show opposition to the grain exchange—just as there is opposition to banks, railroads, public utilities and the corner grocery store. It is human nature.

But I repeat that under the sweeping changes which the exchange has made by vote of its huge membership, there is no condition prevailing which can fairly be criticized. We have absolutely put our house in order—in the precise way which has been endorsed by friends and critics.

Now the question should be squarely asked, and it is a fair question: Are American grain exchanges to be given the public confidence which they have been promised, the support or administrative bureaus which have endorsed the new changes, the help and encouragement of law-making bodies which they have earned by meeting all criticism? Are they to be left alone so that the results of the new changes may have an opportunity to show their advantages?

If we are given such friendly aid from the outside the whole problem is solved. I can so state with the utmost sincerity.

On the other hand, if a new Congress is to turn its ear to the outcries of a voluble minority, then the grain exchanges must continue in a period of turmoil and the marketing machinery cannot be expected to function to the best interest of the country in general and the farmer in particular. We must have a surcease of unfair attacks if we are to perform the

range of prices during any one day, but the current month was eliminated; they haven't any right to bother that. Why wasn't that included with the other month?

Mr. Carey: The matter of limiting daily fluctuations in the market is a question which the grain trade differed on very much. Very few grain men or very few of the economists of the country believe that such restrictions should be placed on the market. Many in Chicago felt that the fluctuations in the current month move more rapidly than in others, but that there are reasons for it. It was left off purely as a compromise, so that we could get the larger principle of placing in the directors' hands the authority. When two-thirds of the directors declare an emergency exists, and two-thirds must continue to say that an emergency exists, they may declare limitations on the daily fluctuations of other months than the current month. It was largely a compromise.

The Secretary: Mr. Carey, is it your individual view that the restoration of privileged trading would help to make the market more stable?

Mr. Carey: I think it is quite universally considered in the grain trade today that privileged trading would in a measure. I do not think that privileged trading is a tremendous factor in the stabilizing of the market, but it is a factor; coupled with many others, it would be one of a few that would be a very beneficial influence to the market. On privileged trading let me say that the grain exchanges are taking the advance step and making these corrections in their rules and regulations themselves, so that if they do not work and it develops that they are a handicap to the market, they can be changed by the exchanges themselves. We today are deprived of privileged trading because of the excessive tax that is put on the statute books in Washington. There is really no widespread demand that the grain exchanges refrain from trading in privileges. Had we taken the same step then that we have now taken, by correcting our rules to meet public demands and thought, we could remove the rule from our books and start trading in privileges. So, not to put ourselves in that awkward position again, we have taken a forward step ahead of Congress, and changed our rules ourselves. Then if they do not work, we can change them.

Mr. Goemann: Isn't there also a statute in Illinois that would prevent you from trading in futures, as well as the Government tax?

Mr. Cary: Any law which conflicts with the Federal law, if it is a state law, gives way to the Federal law, and if we had a Federal law permitting us, now that we are licensed by the Federal Government, I do not think the state law would affect us. It is the thought of our directors that while it may be an obstruction—I do not say it is not an obstruction—but I think that would be overcome if we got the general law in Washington, the tax law, removed.

Mr. Teichgraber: Does that limit any one man to how much he can buy or sell in any one day?

Mr. Carey: It does not limit. That is an entirely different subject. There is no hesitation or change in rules in anything that limits the amount that any one can trade in.

Mr. Teichgraber: I believe that is where you should put something in. Some of those traders are handling millions of bushels that they have no more business with than a jack rabbit.

Mr. Carey: Personally, I would hate to assume the responsibility of saying how much grain, in an arbitrary law, any man should trade in on any day that the grain exchanges of this country are open. Why does this large volume of the grain trade center in Chicago? It is not that the public outside loves Chicago better than Minneapolis or Kansas City; it is because of the large volume of trade done there. A hedger, a miller, any one can get into Chicago with their hedges, and get out with less penalty by less wide fluctuations than you can in the smaller market where the volume of business is smaller. What might be a large and dangerous volume for a man to have open in May wheat, or what might not be dangerous now, might not or might be very dangerous on the first day of May. What might be, under normal conditions, with fair crops all over the country, a perfectly normal amount of future trades for any one man or any group of men to own, six months from that time, if some country had failed in its crop and its crop had gone back, or a different political condition had arisen, might be dangerous. The volume of trading that any one man or any group of men should own in a market, and there not being any danger from it, depends entirely upon the conditions at that time. How can you make any hard and fast rule, and say that today and tomorrow, or a month from today, or a year from today, one can only trade in so much? This is a responsibility that I would hate to assume myself, and I think you would have trouble in finding a group of men who would.

Mr. Sturtevant: Isn't it the thought that your new governing committee would take a hand in that very proposition in accordance with the conditions existing at the time?

Mr. Carey: That is the thought of the committees, which would consider the individual at the time that he had his line, not that they will say to you that today you can own 1,000,000 bushels of wheat and that is all you can own, or you can sell 1,000,000

bushels and that is all you can sell, but this committee may consider 500,000 bushels the last few days of a current month would be different from several million bushels 30 days from that time, and they have authority to consider that.

Mr. Teichgraber: Why don't they get after those professional traders? We fellows, when we hedge a little stuff, are only a drop in the bucket, but take those professional traders that do not even own a bushel of wheat, or haven't anything to back it up with, except money.

Mr. Carey: In the first place, I cannot admit there are such men in existence.

Mr. Teichgraber: They are there, though.

Mr. Carey: These reports are very much exaggerated.

Mr. Teichgraber: There are a few right around here too.

Mr. Carey: I happen to have had access to a good many records in the last six months since this market decline, and I do not think stories of lines both short and long have ever been so grossly misleading as in the past six or eight months in the grain trade. I wish I could release some of the information I have that has been gathered in confidence by the Government and other sources that these excessive fluctuations brought about. I tell you the public press of the country has grossly exaggerated the lines, both short and long. As I say, this large volume is needed. When you send your hedge to Chicago, if your broker must wait until some miller or exporter wants to come in and buy future against some sale of flour, you would not be very well pleased to wait an hour or so. It is the speculator, the scalper, and the man who wishes to come into the market who furnishes the other side of your trade. What would



G. S. CARKENER AND W. C. GOFFE

service before us. Fortunately we have in Washington an administration that is not easily swayed by the mouthings of small groups seeking class laws. It has been clearly indicated that, after several years of uncertainty, American business is to be allowed the proper and intelligent freedom that will permit the nation to develop in a natural, normal way. There is every reason to believe that the grain exchange, in sincere co-operation with the Department of Agriculture, will be able to establish a record of which it can be justly proud if for one brief year it is let alone and the newly inaugurated facilities given fair opportunity to demonstrate results. That is our plea, that alone. We have met the issue point blank. We have gone further than had been expected. Now we stand at the bar of public opinion and ask for fairness.

And here let me solemnly warn that if the grain exchange is to be made the political football during this period of placing our new facilities in running order, then there is little for us to do but throw up our hands and carry any future controversies into the courts where, happily, we have almost in every instance been upheld in our contentions, and where we have been accorded the freedom which we merit.

A new day is indeed dawning for the grain exchange. We have earned public confidence and support. Will the debt be paid? If so the road ahead is broad and smooth.

The President: We have here a telegram from L. A. Fitz, United States supervisor of the Chicago market, in which he says he regrets exceedingly his inability to keep his appointment to be here today.

Mr. Carey has kindly said that he would answer any questions in regard to future trading. The question of privileged trading might be touched upon at the same time if any of you care to do so.

Mr. Caldwell: With reference to the recent rule that has been passed, Mr. Carey, the governing board has the right, I believe, under this rule, to limit the



E. C. DREYER

the agricultural industry of this country have done last fall, if the speculator, as you call him, and the grain exchanges of this country had not advertised to the world that there was a shortage in every other country of grain? The farmer would have sold his wheat at a low price, and after he had sold he would have awakened to the fact that the foreign countries were after our grain, and then the howl would have gone up against the exchanges that they kept it a secret that the wheat crops of other countries were short, and bought all the wheat, and then boosted the price. But through their various agencies they advertised to the world that there was a shortage, and the producers of this country got the benefit. If there is any one thing that justifies the grain exchanges, it is this: It furnishes the means, or is the means, that allows closer quotations, that brings the price that the farmer receives closer to the price the consumer pays, that narrows down the margin the middleman gets, and that for the producer is a very important factor. You do anything that unseats that, and you are apt to greatly increase that margin.

Mr. Schuh: In your opinion, does or does not the governing committee take on the nature of a price-fixing institution?

Mr. Carey: It does not. It simply governs the commercial conduct of the members, and if a member is trading excessively, if he is practicing any misconduct, or his conduct is not such as it should be in placing his trades, they have a right to consider that, but as a price-fixing body I do not think they have anything to say on that at all.

Mr. Schuh: Perhaps you did not understand my question, and perhaps I did not make myself clear enough. A gentleman from one of the papers called on me to explain, if possible, the purpose and intent of the rule which permitted the committee to fix the degree with which the market should fluctuate. His contention was, and he threatened to write an article on the subject, and I asked him to withhold it until I could communicate with Mr. Fones. I wrote

Mr. Fones, and he stated that he was not at liberty to inform me. In writing him I recited just what the representative of the press had said to me; I was not expressing a personal opinion, but was reciting the query put to me by the press, and it was thought that under the authority which apparently the new committee will have, the Secretary of Agriculture having given such authority, the market may advance or decline rapidly in any given day, and that condition would be sufficient for this committee, upon the authority of two-thirds of your Board of Directors, to declare the existence of an emergency. When the emergency is declared it would be upon 10 hours' notice. During the succeeding 10 hours the market could take such course as they thought it should. Following the decline or the advance in the market, the controlling committee would then have the right to say as to what speed shall govern the recovery of the market. In the opinion of the press, that seemed to be a price-fixing authority. He pointed out that your rule allowed a minimum of 5 per cent, and with wheat, for example, at \$1 a bushel, it would allow on the next trading day, after 10 hours' notice, a range of 10 cents a bushel. He felt that no one should have authority to regulate and control that fluctuation; that if there was to be any control, the control should take place before sales after the emergency was declared.

Mr. Carey: I see, you refer to what we speak of as the second rule, which gives the directors the power to limit the fluctuations, in place of the business conduct committee?

Mr. Schuh: Yes, sir.

Mr. Carey: The rule gives the directors authority, when an emergency exists, and that emergency can only exist when two-thirds of the directors say it exists, it gives the directors authority to place in 10 hours a restriction on what the market may move the next day, and on the next day, and continue as long as the emergency exists, and they have the right to fix only a minimum range of 5 per cent; in other words, if the market closed at \$1.50 tonight, and an emergency was declared, the directors might say that the market cannot advance more than 5 per cent of \$1.50 up or down tomorrow, or continue as long as they say; or they may say that the market cannot advance more than 8, 9 or 10 per cent. Five per cent is the minimum; they cannot limit it closer than that. That is not a permanent fixing of price; it simply fixes limitations. Such a rule has been in effect for a period of years in the Cotton Exchange, and the other day, when the Government came out with its new regulations, it went two cents a pound, which is a very wide fluctuation, very much more than 5 per cent, and they were within a fraction of overreaching

want a frank discussion of the matter. Most of us grain men have no trouble at all in getting into the market and hedging our grain, but we have a heck of a time getting out without paying a lot of penalty, and that is where the criticism arises. In Kansas City and Minneapolis we do not have those wide fluctuations in the current months as you do in Chicago. Take the July option as an example; wheat was moving rather freely, and there wasn't any time when your July option was below your September or December, and as you know, it went out about 15 cents over. That is where we millers catch it when we hedge in your market, and that is why you receive so much criticism.

Mr. Carey: You are leading us into deep water when you ask me to discuss July contract. A committee was appointed, and there were differences of opinion. I do not want you to think that I believe the grain exchange works 100 per cent perfect, but the committee went into the matter carefully, and they fixed a price and fixed a penalty, and they had reasons for doing that. I am not here to say that the price they fixed was wrong or that it was right. As all such matters are, it was a compromise, and possibly there are times when the millers are penalized, but if they come to Chicago I think you will find they receive fair treatment. A lot of customers elected to allow their trades to rest there until the very last few days of July. That makes it very difficult. Maybe the people that bought that grain for July had a place to put it; I am not prepared to say that they had not. Perhaps they needed that grain and wanted it. Perhaps those who left their grain there until the last few days should share in the criticism. Possibly they should have arranged to ship their grain. At least there is debatable ground, but do not understand me to say that the Chicago Board of Trade or the Kansas City Board of Trade or any other grain exchange in the United States is 100 per cent perfect. It is the best piece of machinery devised so far for merchandising and carrying on the grain business of the country. If anyone has suggestions or help that they can extend to us that will perfect some of the few imperfections, I will tell you now that the directors of the Chicago Board of Trade and I think of any other grain exchange in this country will be glad to receive them.

Mr. Booth: In connection with the July contract, I remember distinctly, handling wheat practically every day of the year in Chicago, that good premiums were maintained for cash wheat for some time before the July contracts and into July, and that new wheat was not moving freely to the Chicago market in July. It was gossip before we came into that month, that the cash wheat situation would undoubtedly be tight, just as there is gossip now that the cash wheat situation in December is likely to be tight, with large premiums being maintained now. Hard Wheat selling as high as 11 over the December just Saturday in Chicago. In using any machinery or any organization, judgment is necessary, and any one who has had anything to do with hedging grain will appreciate that it takes a close study of the situation to place your hedges to advantage, and in that particular delivery that is spoken of here, it was very evident that when the people left their hedges in the current delivery much longer than good judgment would warrant, the results might not be satisfactory.

Mr. Edwards, St. Louis. You spoke of the grossly exaggerated statements of the press. We all are led to believe that what we see, particularly from the Associated Press, is reasonably correct. Some people do not discriminate between what comes from the Associated Press and other new articles, but it has a great deal of weight and is taken as a matter of fact, and the average layman sees that these great fortunes are made and this great squeeze takes place, and they are influenced by it, it leads to speculation frequently. Isn't it possible for the Chicago Board of Trade, which really governs the remainder of the boards of trade of the country, and influences the public more than any other, when any such statement is made in the press and is misleading, for it to make a dignified denial of those facts? It would have a great deal of influence in making people generally believe that you are in sympathy with what you want to do and do right.

Mr. Carey: We have a committee working on those matters constantly. But take last year, certain individuals were reported long fabulous sums, and the Chicago Board of Trade had no means of knowing how much they were long and neither had the newspapers. The newspapers say "It is reported that So and So is long a very large amount of wheat." That individual has a reputation of being a large trader and a successful trader, and it is not strange that the public should in a measure believe that. But just where could the Chicago Board of Trade go out, not having an idea whether the man is long a large amount or a small amount, how could we go out and deny point blank that the man is not long a large amount?

Mr. Edwards: Couldn't that be done through the clearing house?

Mr. Carey: The clearing house will know the net position of the firms, but it does not know the individual trader in all firms, and could not know. We have asked the Government to co-operate with us, and

when an extraordinary long or short line comes, to work with us, and the Government has said that it will co-operate with this business conduct committee, and we are working to bring about that very correction. There is a very able committee working constantly in Chicago to try to mellow those reports that go out in the newspapers, but with the newspapers a big headline is a great asset; it helps them to sell their papers, and they lean toward the sensational because of that. I do not blame the newspapers particularly; they are giving things as they see them, and the public must learn to take them as they actually are, and not lend too much credit to newspaper reports. The actual facts about the shortage of crops and the available grain in any market are obtainable, if a person will take the time to go to the secretaries of the various markets and get the figures, and not take them from the public press.

Mr. Adam: Would you explain the workings of the clearing house system; as to how it might stabilize the market?

Mr. Carey: Much has been said about the clearing house established in Chicago stabilizing the market.



D. J. SCHUH

and you would think from what you read that that is the one thing that is going to bring about a correction of all our evils. The clearing house may have a very substantial influence in eliminating some abuses now in the market. Briefly, the clearing house does this: Take the firm of John Smith trading in Chicago. If he trades with Dick Smith and John Jones and a dozen different firms, as it now exists, those trades remain open with each of those firms, and he is settling the rise or fall of the market with each one of those firms. Now we have a ringing up system there, and settling clerks get together in the morning and match up those trades, and gradually they are rung one against the other, but it is a slow process to do it. You may send my firm in Chicago an order to buy 100 May wheat today, and it goes up two cents tomorrow, and I execute the order and buy it. In two days you order it sold; I might buy from one firm and sell to another. You would close your trade and take your check from the margins left and your profit and loss, whichever it might be, but the firm would still have those trades bought and sold, and they would continue to carry them until they rang up between the firms we bought and sold it for. The clearing house is simply taking the other side of your trades. You report to the clearing house the trades you made today bought and sold, and bring them all to the market, and take whatever you carry over from the night before from the clearing house up or down, and give or receive a check for the balance due or coming to you. It does away with the carrying by each individual firm of the trades open with all the various firms on the Board of Trade, and brings all trades to the market every night. We think it spells safer business all the way around. I want to say there are many members of the Chicago Board of Trade who do not believe in this method of clearing. It was not the unanimous decision to establish this clearing house, but the vote stood about two to one to give it a fair trial. The clearing house centralizes all trades into one office, and would naturally disclose overtrading or overlining, and the clearing house could take it up with the individuals if it was an overline, and in that way it would have a wholesome influence upon the market.

Mr. Adam: Isn't it a fact that with this new system, there won't be so much credit given to the speculator?

Mr. Carey: I could not say that. The clearing



W. J. EDWARDS

the point where trading would have been stopped. But that is not price-fixing; it is only limitation good for as long as the directors say an emergency exists.

Mr. Sturtevant: Is it your understanding that such an emergency might be declared, and trading allowed after the emergency had been declared and before the limitation went into effect? As a matter of practice, wouldn't it be true that the emergency would be declared after the market closed and made effective at the opening? Could there be a condition where your governing board would be justified in declaring an emergency and allowing trading before it became effective?

Mr. Carey: I do not think I could imagine such a situation. I do not think any committee would ever make such a ruling as that. That would not be in accordance with the spirit of the law.

Mr. Caldwell: You spoke of the criticism the Chicago Board had unjustly received, and I think you

house will not deprive any one of a legitimate credit.

Mr. Adam: I mean, the commission houses would not be so apt to extend credit now with the new system as before.

Mr. Carey: No, I do not think they would, because they are compelled to settle at the market every night. They might have trades with a firm that did not call their margin at all, and let it stay there until it was closed out. I think bringing all trades to the market, and everyone being compelled to settle with the market will have a wholesome influence, and let people know those trades are put there for a definite purpose.

The President: If there is nothing further, we will close the discussion. We appreciate the clarity and forcefulness with which Mr. Carey has presented this subject and led the discussion, and I know it has illuminated it considerably for all of us, and I



FRED E. WATKINS

hope it will lead to a much better understanding. (Applause).

We will have now the report of the Resolutions Committee, Mr. Watkins, chairman.

Report of Resolutions Committee

Mr. Watkins: With the exception of some resolutions of appreciation to our hosts and speakers, our work is complete at this time. Following the custom established by our worthy president last year as chairman of the Resolutions Committee, these resolutions are stated in the form of declarations.

Mr. Goodrich: I suggest that when the resolution is read, the president ask if there are any objections, and if he hears none, that he drop the gavel.

The President: That procedure will be adopted.

Postal Service

By act of Congress in March 1925, an increase in pay was granted postal employees, which increase was provided for by an advance in the postal rates.

The Post Office Department under this authority granted by Congress placed grain samples in the parcel post class. This has resulted in such samples being greatly delayed in transmission so that they reach their destination from one to several days after the arrival of first class matter. Even when grain samples carry first class postage and are marked as first class matter, they are still not accorded expeditious handling by the Post Office Department.

We hereby protest against this obstruction to the prompt and efficient handling of grain by sample, and desire to instruct our executive officers to take necessary action to petition the Post Office Department to restore grain samples to the rating given them prior to the last change in the postal rates, and to give them at least as expeditious dispatch as they received prior to the passage of the afore mentioned act.

Literature on Trade Subjects

We commend the officers and directors of the Grain Dealers National Association for the publication and dissemination during the past year of a brief entitled, "The Grain Trade", which indicates clearly and concisely the important position in our modern economic system of the trade in grain, and sets forth the repeated, unwarranted and often senseless attacks of which it has been the target to the detriment not only of this trade, but also to society as a whole.

We further commend our officers and directors for the recent timely publication, "Co-operation in the United States", an eminently fair, constructive and much needed presentation of a subject too little un-

derstood and frequently misinterpreted by many glib tongued politicians, and others in public life, and we urge a wide distribution of this text to the extent of the funds available therefor.

Metric System

We reiterate our disapproval of continued efforts to establish the metric system as a standard for weights and measures in America, since, however attractive this change may appear theoretically, the expense and confusion resulting in the transition from our present system would far outweigh the possible benefits to be derived from it.

Arbitration

As pioneers in the field of commercial arbitration, we hail with enthusiasm the passage of the United States Arbitration Act of February 14, 1925, and which will go into effect on January 1, 1926, making valid and enforceable, written agreements in commercial contracts which provide for the arbitration of controversies in contracts, maritime transactions, or commerce among the states or territories or with foreign nations.

We respectfully urge the Congress that the provisions of this law be broadened and extended as occasion may require so that the known benefits of this method of adjudication of trade differences may be available to the largest possible number of our citizens.

Fire Prevention

The appalling national loss by fire mounts annually higher. It now exceeds each year, in the amount of property value destroyed, the total cost of the Panama Canal. To a large extent this waste is preventable by effective action by states and cities.

We urge upon our members the necessity of giving study and support to efforts in their communities to reduce this criminal and useless waste, and to assist in bringing home to individual citizens their personal



J. R. MURRELL, JR.

responsibility for damages accruing to others through fire caused by gross negligence.

Federal Reserve System

We reaffirm our confidence in the fundamental principles of the Federal Reserve System and record our recognition of its past service and of its promise for the future.

We ask for a better understanding and an appreciation of its value in the economic system of the country and urge that no change in its character and constitution be considered except such as will add to its strength and usefulness.

Trading in Privileges

The grain trade in general deprecate the wide and sharp fluctuations in the future markets, and are in accord with the efforts of the Department of Agriculture to stabilize prices.

We urge the repeal of the prohibitive tax on privileges which prevents trading in this form of insurance against the drastic price changes that have followed the suspension of their use.

Claims for Loss in Transit

In view of the Transportation Committee's report that the long drawn out negotiations with the carriers have proven futile and that there is no reasonable probability of securing uniformity in the tolerance allowed in the settlement of claims for loss in transit on grains, therefore,

We instruct the Transportation and Legislative Committees jointly to request Congress to amend Section 20 of the Transportation Act in line with the following:

Provided, however, that in the settlement of claims for loss of or damage to bulk grains of all kinds the deduction for assumed unavoidable waste or loss in handling, including sampling, shall not exceed 60 pounds per car, and the tariffs and rate schedules shall so provide.

Provided further, that where grain heats in transit and the loss resulting therefrom exceeds 60 pounds per car, and that the carrier is not otherwise liable for said loss, the ascertained actual amount of the loss due to heating of the grain shall be deducted.

We further instruct the Transportation and Legis-

lative Committees jointly to request Congress to amend the Transportation Act, or pass a statute similar to the Kansas statute, making common carriers liable for a reasonable attorney's fee in prosecuting an action for loss or shortage of grain shipped, and in line with the Nebraska statute, allowing also for interest on unadjusted claims from date of filing to date of payment.

Government Offices

Reiterating the expression of our belief in the budget system as applied to finances of our national Government, with the hope that its application be not curtailed, but rather strengthened and extended; And, recognizing the relief already accruing to the taxpayers of the country through previous reductions in rates;

We respectfully urge the Congress of the United States during the ensuing session to make still further constructive modifications of the Federal Revenue Law, including the repeal of the clause permitting publicity of Income Tax Returns; to eliminate the so-called "nuisance" taxes and all other levies growing out of war conditions, and to make additional material reductions in the present rate of taxes, to the end that our taxation system may be simplified as well as rendered less burdensome.

We urge a speedy revamping of the bureaus and commissions within the various executive departments of the Federal Government to the extent that those having served their usefulness be eliminated, and in other instances where similarity of functions will permit, combinations may be effected; all to the end that economy in government may become an established fact and that we may realize the reduction in expenses and the elimination of waste in governmental finances which so consistently and insistently has been advocated by our chief executive.

Mr. Rumsey: I move a copy of Resolution No. 7 as to trading in privileges be sent to Charles Lonsdale of Kansas City, who is vice-president of the Exchange Legislative Committee. (Seconded by Mr. Caldwell, and carried.)

Mr. Rumsey: I feel it would be good thunder for that committee if it could have in hand a copy of resolution adopted by this Association.

The President: Next is the presentation of our Booster Prizes. This is a particularly happy occasion. It is a great compliment to the Association that it has so many busy members who are willing every year to give of their time in boosting our

C. B. HELM, CLEVELAND, OHIO
Winner of the first Booster Prize

membership, for there is nothing more important or vital to the Association than new members. Without members we would have no association at all. The real reward in these Booster Campaigns always goes to the Association itself in the shape of its increased membership. For the boosters there is no reward except in the knowledge of a duty well done towards the Association and toward their new members. This morning, as a mark of the deep appreciation of the Association for the work that has been done, it is a pleasure to present to C. B. Helm, of the Cleveland Grain & Milling Company of Cleveland, Ohio, this diamond stick pin. Mr. Helm last year secured 19 members for the Association. He is not here today, and I will ask Mr. Watkins to get this prize to him.

The second prize in the Booster list goes to George E. Booth, of Lamson Bros. & Co., of Chicago, who secured 15 new members. In looking over these prizes I was struck by the fact that three of them are articles of personal adornment. The other prize is a handsome watch, and I asked why the watch

was given to Mr. Booth for the second prize. It was remarked that to offer him an article of personal adornment would be much like attempting to paint the lily (laughter). If Mr. Booth will step forward, he may have the watch. (Applause).

Mr. Green: Hello, Lilly. I have always been wondering what to call him. (Laughter).

The President: The third prize goes to E. C. Dreyer of The Dreyer Commission Company of St. Louis, who secured eight members. Mr. Dreyer is not present, but if his son will step forward I will give it to him to take to his father. It should make him proud of his father. (Applause).

The fourth prize goes to our director, John Stark, of the Mid-Continent Grain Company of Kansas City.

The next thing on the program is a report of Legislative Committee. Mr. Reynolds is unable to be present, and I will ask the secretary to read his report.

REPORT OF LEGISLATIVE COMMITTEE

IT IS with profound regret that I am obliged to ask someone else to read this brief report instead of appearing before you myself. For the first time in more than 20 years, I find myself unable to attend the annual convention of the Grain Dealers National



GEORGE E. BOOTH, CHICAGO, ILL.
Winner of the Second, Booster Prize

Association. An important case in court keeps me away.

I am glad the directors of the Association have put a ban on long-winded reports of officers and chairmen of committees. You are all acquainted with legislative matters through reports in the public press.

A great many bills were introduced and frantically discussed during the last session of Congress; a lot of fireworks, but little accomplished. I think that great harm results from the continual howl for grain marketing legislation and farm aid. As soon as Congress adjourns, things seem to settle down and proceed along the even tenor of their way without worry or excitement.

On the surface everything has been extremely quiet since Congress adjourned last spring. Underneath the quiet surface, however, there is and has been a turmoil in the congressional mind. The quiet surface reflects nothing of the determination of some members of Congress to do something to bring about changes in the present system of marketing farm products.

It matters not that the farm question is rapidly solving itself. These agitators want a change; they see chances for personal political gain by howling for a change. Our marketing system has time after time been pronounced by Government officials as nearly perfect as human agencies can make it. It is constantly being improved as necessity for changes arises. A complete revolution and entire wiping out of the old and tried for the new and untried, is a dangerous experiment. The change should be in the nature of evolution instead of revolution.

A flood of bills on marketing will be introduced immediately on convening of Congress in December. Notwithstanding the fact that the co-operative and pooling methods of marketing have failed to benefit the farmer, still the co-operative howl continues. Every other scheme of the agitators has become threadbare. The millions lost in experimental marketing schemes stand as ghosts to haunt the dreams of the more timid. There remains still the demagogue undaunted by the financial wreckage marking his past trails, who still howls for change. His activity is now narrowed to the co-operative hobby. In the end this will go the way of all the others. I cannot see a single element promising success in co-operative grain marketing. There has been world-wide talk and debate

on the subject, but not a word of real analysis of what is possible to be gained by it. I must not launch into this endless subject. I am admonished to be brief.

The grain trade may expect some wild bills on co-operative marketing next Congress. I doubt if much will be accomplished. We must, however, be ready to defend our business interests as emergencies from time to time arise.

The most prominent occurrence in the grain trade during the past year was the collapse of the marketing company in Chicago. Had it succeeded, I think it would have been a great power in directing legislation in reasonable channels.

The two outstanding accomplishments of the Association during the past year are the issuing of the Brief on Grain Legislation which was presented to the President's Agricultural Commission, and the booklet on co-operative marketing, just published. Both of these publications were prepared by Professor James E. Boyle of Cornell University and were carefully and ably edited by President Horner and Secretary Quinn. If the facts set forth in these two publications can be gotten before the public, they will have a vast influence in shaping public opinion in the future. If a majority of the members of Congress would take the time to read these and study them carefully, we would hear no more of co-operative legislation or of any legislation adverse to the present grain handling system, but few Congressmen will take the time to read these most comprehensive publications. We must not be discouraged by this, however. Many people have read them and many more will. I advise a continuance of this kind of educational work. It is bound to have a beneficial result.

Despite the many predictions, my own included, that little will be done affecting the grain business in the next session of Congress, I am still of the opinion that a lot of noise will be made. Your Legislative Committee will have its hands full and should be on the alert. Little will be accomplished by the Committee until late in the session, say February or even later, when things have assumed a tangible form. Taxation, tariff, air-craft, war navy and Federal Trade Commission will occupy the center of the stage until late in the session.

The President: Unless there is objection, the report will be accepted as read.

We will next have report of Trade Rules Committee, Mr. Sturtevant, chairman.

REPORT OF THE TRADE RULES COMMITTEE

Mr. Sturtevant: Following the usual custom, the Committee has no formal report to make. Our work during the year has been covered in *Who Is Who*, and our work before the convention is now being distributed to you. The committee comes before you with no recommendations as to changes in the rules. There have been presented to us during the year many suggestions, and we have had printed and are presenting to you those changes which in our opinion might be practicable. We recommend none of them. We would like to have them discussed, and if you feel it advisable to adopt them, that can be done. In changing trade rules, we should bear in mind that the present trade rules have been in existence for many years, and have stood the test of time. It is impossible to adopt trade rules covering individual cases. We can only express general principles, and then allow the arbitration committee to apply those principles to each case.

The first suggestion is an amendment to Rule 4. It grows out of a condition which seems to exist to a limited extent, largely on trades made by dealers in terminal markets with dealers in local points, where the terminal man sends out his confirmation, and the local man neither signs and returns the copy, nor does he confirm himself as provided by the rules. In this proposed rule an attempt is made to bind the man who does not confirm the contract in the terms of the other man's confirmation. It is a dangerous and far reaching rule, and we should consider it as such. The proposition as presented to us was that the man who did not confirm should be bound by all of the terms of the other man's contract. The committee would not present it in that form. We limited it to the vital items in the contract as expressed in Rule 1. Do we want to adopt a rule which will permit one member to bind another member without his consent? (Cries of "No").

Rule No. 4. Proposed New Paragraph

"Where trades are made by telephone or telegraph and afterwards confirmed in writing by one of the parties to the transaction only, both parties will be bound by the terms of such written confirmation, to the extent only of the specifications named in Rule No. 1, unless objected to by the other party as provided in paragraph (a) of Rule No. 4, and provided that such written confirmation is not in conflict with the terms of the telegrams of offer and acceptance."

Rule No. 4 in its entirety now reads as follows: **RULE 4. (a) CONFIRMATION:** It shall be the duty of both buyer and seller, on day of trade, to mail, each to the other, a confirmation in writing (the buyer a confirmation of sale), setting forth the specifications as agreed upon in the original articles of trade. Upon receipt of said confirmation, the parties thereto shall carefully check all specifications named therein and upon finding any differences, shall immediately notify the other party to the contract, by wire, or telephone and confirm in writing, except in the case of manifest errors and differences of minor charac-

ters, in which event, notice by return mail will suffice.

(b) When a trade is made through a broker, it shall be the duty of the broker, on the day of trade, to send a written confirmation to each of the principals, (to the buyer a confirmation of sale, and to the seller a confirmation of purchase) setting forth the specifications of the trade as made by him. Upon receipt of said confirmations the parties thereto shall carefully check all specifications named therein, and upon finding any differences, shall immediately notify the other party to the contract, by wire, or telephone and confirm in writing. In default of such notice the contract shall be filled in accordance with the terms of the confirmation issued by the broker. (It will be noted that the proposed new paragraph to Rule No. 4 refers to "specifications named in Rule 1." Rule No. 1 is printed here so that the reader will know what these specifications are. Rule No. 1 also refers parenthetically to Rule No. 2 and this rule is also printed here for the guidance of the reader. Rules Nos. 1 and 2 as they now read are as follows:)

RULE 1. TRADE: It shall be the duty of both buyer and seller, to include in their original articles of trade, whether conducted by wire or by mail, the following specifications (for exception to this rule see Rule 2):

Number of bushels, or cars;
Kind and grade of grain;
Price;
Point of shipment or delivery, or rate point;
Time of shipment or delivery;
Route;
Terms.

RULE 2. (a) USUAL TERMS: The specifications of Rule 1 shall apply except in cases where the buyer and the seller have been trading on agreed terms and conditions, in which event it shall be sufficient for the words "usual terms" to be used in telegrams, and the use of said words shall imply that such terms and conditions as governed previous trades of a like character shall obtain.

(b) **TERMS:** The word "terms" shall mean that the weights and grades of a shipment shall be determined in the market agreed upon at time of sale, it being understood, in addition, that whenever applied to a terminal market, the word "terms" shall be construed to mean that all the rules governing such market shall obtain.

Mr. Booth: It is becoming more general all the time to put a lot of fine print on these confirmations. It will say the trade is subject to embargoes, acts of God, and everything else you can possibly imagine. The seller is freed from responsibility on almost any pretext. In the terminal markets we do not have as much to do with it as you men outside, and you will realize I am only taking one side of the question, but



A. E. REYNOLDS, CRAWFORDSVILLE, IND.

it doesn't seem to me that the confirmation should inject a lot of new elements into the trade.

Mr. Sturtevant: This does not attempt that. We declined to present to you a rule that would bind a man to other than the vital items specified in Rule 1. The question is, where it is recognized a trade has been made, and one party sends out the contract which sets forth those items which are vital, should the other party be bound by that confirmation? I sell you a car of grain, and you agree I have sold it to you, but we have a dispute. I sent you a confirmation, and you didn't confirm and do not protest, and you are bound because you haven't objected to it? If this rule is passed, you would be bound.

Mr. Booth: That is the custom in Chicago. Isn't that after all a matter of law?

Mr. Sturtevant: No, the rules now provide silence does not give consent.

Mr. Booth: Even if that is specified on your contract?

Mr. Sturtevant: We are getting into the statute of frauds. The Grain Dealers National Association may among its members adopt a rule which will do away with the statute of frauds. If we put this rule on our books, we have a rule contrary to the statute of frauds, but which our members, by signing an agreement to be bound by these rules, would waive. It is exasperating to have a man sit and say nothing, but I fear we are opening the way to a lot of trouble.

Mr. Booth: A man who would do that would swear

up and down he sent a confirmation, whether he did or not.

Mr. Green: I move we postpone action on Rule 4.

The President: To expedite matters and facilitate the handling of these trade rules, with your consent I will turn the gavel over to Mr. Sturtevant, and in that way avoid confusion.

(Motion seconded by Mr. Murrel, and carried).

Mr. Sturtevant: The next is proposed change to Rule 5. This is a matter connected with Mr. Goemann's report of yesterday. Since printing these changes, it has come to the attention of the Committee that this amendment, instead of being listed as an amendment to Rule 5, should go into Rule 17, which applies to bills of lading.

Rule 5. Add to Third Paragraph

"And bills of lading must be dated and show the signature of the carrier's agent within the life of the contract."

Rule No. 5, as it now reads, is as follows:

RULE 5. TIME OF SHIPMENT OR DELIVERY: In making contracts, a specific time in which shipment or delivery is to be made shall be mentioned. Any given number of days shall mean calendar days excluding date of sale in which to load and ship grain to apply on a sale for shipment, or to deliver at the agreed destination, grain sold for delivery.

The word ship when used in the rules shall mean that shipping instructions shall have been filed with the railroad company by the shipper.

Grain to apply on a sale for shipment must be actually loaded, and billing instructions must be furnished the railroad company in accordance with the custom then in vogue at the shipping point.

When the words, immediate, quick and prompt are used, the following meanings shall be implied: "Immediate," three days; "Quick," five days; "Prompt," 10 days.

When no specifications as to time of shipment are named in the contract, prompt shipment shall be implied.

First half of the month shipment shall be construed as meaning the first 15 days, including February, and the last half of the month shipment shall mean the remaining days.

Mr. Green: I move its adoption.

Mr. Manning: A lot of the terminal markets may not be in position to comply with this rule yet. As soon as they can, I am in favor of the rule.

Mr. Goemann: The terminal market can comply with it. If you put the shipping instructions on your switching ticket, putting thereon the destination, the road it is to be switched to and the consignor, you have complied then will all the requirements this rule asks you to, and you have also complied with the law, and the date of that is the exact date of loading, and when you take up the new bill of lading with the line carrier, he is required to insert that same date. I will be glad to furnish copy of the decision of the Interstate Commerce Commission on that. The Central Freight Association has adopted it. I have asked the chairman of the Southwestern Association, and he has it on his docket. But they cannot get away from it. Why defer the passage of this rule? You never will have it is existence unless you assert your right to have the law enforced.

Mr. Sturtevant: The rule was the outcome of a situation which applies at Kansas City, at Louisville, and at Cincinnati. The question came up as to whether grain loaded and billed in Kansas City on Saturday afternoon by means of these switch orders has been shipped in in contract time, presuming the contract expires on Saturday. The first case received very careful consideration at the hands of Arbitration Committee No. 1, and we found the grain was loaded and billed, and was set out at the unloading mill before the bill of lading was signed. In that case it would have been folly to find it had not been shipped on Saturday, because it was at destination on Monday. Mr. Goemann has been trying to correct the situation so the carrier will sign the bill of lading as of the date of the switch order. He has done wonderful work on it, but I do not believe has reached the end yet.

Mr. Goemann: Yes, you can enforce it. The case decided by the Commission was that had they had the instructions complete on the switching ticket, they would have been saved the increase in freight rate that went into effect that night at midnight.

Mr. Sturtevant: I appreciate that, but the man at Kansas City is going to send you a bill of lading dated Monday, the car having moved Saturday. If you have it on Monday morning, all right, but if you want to turn that over to another man, you have a bill of lading not in accordance with the rules. I do not think we should pass that rule. I think we should get this bill of lading dated correctly.

Mr. Murrel: Kansas City has gone a little too far with that rule. They give their order to the railroad making the switch. The car may be going out on transfer on another road, but it may be a week before the car goes forward.

Mr. Sturtevant: I think all parties are protected under the present rules. When Mr. Goemann's work is completed, the situation will clear up.

Mr. Goemann: The millers in Virginia and North and South Carolina refuse to take these bills of lading, and have told us they will not be members of our Association unless we rectify this and have it right. The law is there and it must be complied with. Kansas City, through their Chamber of Commerce here, can immediately get this rule changed. Mr. Scott can get this rule changed when he calls attention to the local situation. I do not think we should postpone this.

The Secretary: What recourse has the middleman in

a case like that Cincinnati arbitration case?

Mr. Sturtevant: The rules say the bill of lading shall conform to the specifications of the contract.

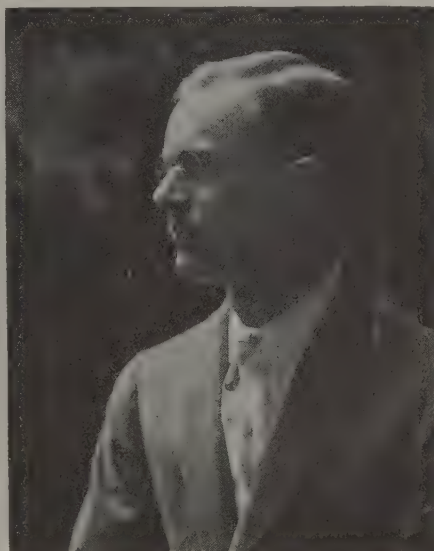
Mr. Rice: That case came before arbitration committee No. 3, and we gave it a lot of thought. The two parties to the arbitration were members of the Association. The purchaser sold it to another party. The bill of lading was dated on Monday when the contract expired on Sunday. He didn't have a paper there that he could deliver to his customer that showed it was loaded within contract time. However, the evidence showed the car was delivered to the Pennsylvania Company on Sunday morning at Cincinnati, and was on its way to Pittsburgh. I think it is essential we have a rule to clear the matter up, because there should be protection for the buyer, and it ought to be clear that he can pass on to his customer to show the car was loaded in time. I think Mr. Goemann is right.

Mr. Sturtevant: We have two rules which protect the buyer, one covering time of shipment, the other covering clean bills of lading.

Mr. Green: We have had many controversies over this situation. I believe the bills of lading should be signed as of the date when the car is loaded, to show it is loaded within contract time, and it will help us to have these fellows instructed to sign these bills of lading as of the date the car is delivered to them.

Mr. Sturtevant: If Mr. Green, representing one of the affected markets, is willing to endorse the proposition, it puts a different light on it.

Mr. Mason: Mr. Goemann said that Mr. Scott could have this done here. Mr. Scott is here now, and I should be glad to hear what he has to say about it.



C. D. STURTEVANT, OMAHA, NEB.

Mr. Scott: We have arrangements here so that where a car is loaded out of an elevator line, and a switching receipt is given, that can be made the basis for a formal bill of lading to carry the same date.

(Motion of Mr. Green seconded by Mr. Goemann, and carried).

Mr. Goemann: I believe we should amend Rule 5 and make it fit.

Mr. Watkins: Those are not contradictory. We have a definite rule now in Rule 17.

Mr. Goemann: Very well.

Mr. Sturtevant: Since this sheet was printed, another matter has come up which I think should be presented to the convention. It is an addition to Rule 5 to provide a clause covering buyer's option contracts. The present rule does not contemplate such a contract.

Proposed Paragraph (c) to Rule 5

When contracts provide for buyer's option as to time of shipment it shall be the duty of the buyer unless otherwise provided in the contract to furnish billing instructions at least 10 days before the expiration of the contract.

Should the buyer fail to furnish billing instructions as above it shall be the duty of the seller to at once demand them, and should the buyer fail to furnish them when demanded the seller shall have the right to elect either to sell the grain for the account of the buyer and charge the usual commission for so doing, or to cancel the contract at a fair market value and charge the loss if any to the buyer, 24 hours notice having been given by the seller of his intention and election.

Mr. Caldwell: What if I buy a car of grain on 10 days option, is it possible for this rule to operate?

Mr. Sturtevant: Is that kind of contract ever made?

Mr. Caldwell: I think so. It is not generally made.

Mr. Sturtevant: I thought of that when I drafted this proposed amendment, but I thought a buyer's option contract usually is for a specific month, or a half a month, but I couldn't imagine of a 10-day buyer's option contract.

Mr. Caldwell: There should be some limit to the time. For a 15 days buyer's option it is too close, or 20 days or 30 days.

Mr. Sturtevant: As applied to 10 days buyer's op-

tion contract, it would be the duty of the buyer to furnish shipping instructions and say on which day the shipment should be made, so the seller could make his preparations.

Mr. Mason: Isn't that taken care of by "unless otherwise provided in the contract?"

Mr. Sturtevant: Most option buyer's contract carries a 10-day notice clause, but a case has come up where no such clause was included.

Mr. Caldwell: On a 10-day proposition I think there is a chance for the seller to take advantage of the buyer. I would not like to see a 10-day period adopted unless it is a 60-day contract.

Mr. Sturtevant: I think Rule 6 contemplates only seller's option contracts. This custom of buyer's option has grown up, and there seems to be a call for some provision to cover it.

Mr. Caldwell: Does the rule provide for an extension of time by formal notice on the part of the seller?

Mr. Sturtevant: It provides for buying in or cancelling, but you can always extend on agreement.

Mr. Manning: Suppose the buyer does not furnish instructions, and the seller wants to close, can he by formal notice extend the time?

Mr. Sturtevant: No, sir; you are making an entirely new contract, and should have the consent of both parties.

Mr. Manning: I move the adoption of the rule.

Mr. Goemann: I will second it.

Mr. Caldwell: I move to amend by changing it to read "five days' notice on 30-day contract and 10 days' notice on 60-day contract."

Mr. Bossemeyer: I will second it.

Mr. Watkins: If this is an amendment to Rule 6, shouldn't we take up Rules 6 and 7 first before we try to amend this?

Substitutes for Rules 6 and 7

Rule 6. Billing Instructions and Breach of Contract by the Buyer: (a) Unless otherwise agreed the seller shall have the option of making shipment at any time during the life of the contract.

(b) It shall be the duty of the buyer, on contracts for shipment within seven days or less, to furnish billing instructions to reach the seller on the day the contract is made; and on contracts for shipment within eight days or longer, to reach the seller within three days after the contract is made, and on contracts for deferred shipment, to reach the seller not later than the first day of the specified shipping time.

(c) If the buyer does not furnish billing instructions as provided in section (b), the seller may demand them by telegraph or mail and if, after such demand, the buyer does not furnish them to reach the seller by noon of the day following the receipt of such demand, or if in the absence of such demand from the seller the buyer does not furnish the said instructions to reach the seller within the life of the contract, the buyer shall be considered to have breached the contract.

(d) If the buyer does not furnish billing instructions as provided in section (b), but does furnish them as provided in section (c), the seller shall make shipments at his option within the period of time specified in the contract, figuring from the date the billing instructions are received.

(e) In case of breach of contract by the buyer as provided herein or otherwise, the seller shall have the right:

- (1) To resell the grain for the buyer's account; the buyer to pay the seller the actual loss; or
- (2) To retain the grain, the buyer to pay the seller the difference between the contract and the market price, if lower, and actual expense incurred; or
- (3) To cancel the contract or any unshipped portion thereof.

(f) If the seller claims breach of contract, it shall be his duty to notify the buyer by letter or telegram to reach the buyer by noon of the day following the day upon which he has notice that the contract is breached, and to set forth in such notice his selection of the options provided in section (e). If the seller fails to so notify the buyer the contract shall be considered canceled without prejudice to either party.

Rule 7. Incomplete shipments and breach of contract by the seller: (a) If the seller does not make shipment within contract time, it shall be his duty to so notify the buyer by noon of the day following the expiration of the contract. In the absence of such voluntary notice the buyer may, on the last day of the contract or later, demand advice from the seller as to whether the contract has been filled and in such case, unless advice is received by the buyer by noon of the day following the receipt of such demand by the seller that shipment has been made in contract time, the seller shall be considered to have breached the contract.

(b) In case of breach of contract by the seller, as provided herein or otherwise, the buyer shall have the right:

- (1) To buy in the grain for the seller's account; the seller to pay the buyer the actual loss; or
- (2) To collect from the seller the difference between the contract and the market price, if higher, and actual expenses incurred; or
- (3) To cancel any unshipped part of the contract.

(c) If the buyer claims a breach of contract, it shall be his duty to notify the seller by letter or telegram before noon of the day following the day upon which he has notice that the contract is breached, and to set forth in such notice his selection of the options provided in section (b). If the buyer fails to so notify the seller, the contract shall be considered canceled without prejudice to either party.

The present rules read:

RULE 6. BILLING INSTRUCTIONS: (a) In case grain is sold for three or five days' shipment, the buyer shall furnish billing instructions by wire on the date of sale, unless said instructions were embodied in the original articles of trade.

(b) The buyer shall be allowed three calendar days within which to furnish billing instructions on sales for deferred shipment, and must furnish the said billing instructions any time after three days, when requested by the seller. Should the buyer, after the expiration of the allotted three days, fail to furnish shipping instructions on demand, the seller shall have the right to elect either to sell the grain for the account of the buyer and charge the usual commission for so doing, or to cancel the contract at a fair market value and charge the loss, if any, to the

buyer, 24 hours' notice having been given by the seller of his intention and election.

Shipping directions furnished by the buyer before the expiration of the said 24 hours must be accepted by the seller.

RULE 7. INCOMPLETE SHIPMENTS: When the seller finds that he will not be able to complete a contract within the agreed limit, it shall be his duty at once to advise the buyer by mail, telephone or telegraph, whereupon it shall be the duty of the buyer at once to elect either to buy in or to cancel the deficit, or, with the consent of the shipper, to extend the contract to cover the said deficit.

If the seller fails to notify the buyer of his inability to complete his contract, as above provided, the liability of the seller shall continue, until the buyer, by the exercise of due diligence, can determine whether the seller has defaulted, when the buyer shall immediately (a) agree with the seller upon an extension of the contract to cover the deficit, (b) cancel the contract outright, or (c) buy in the deficit for the seller's account.

Mr. Mason: Suppose you have a 10-day contract, and you want 10 days' notice on it, you might carry it for six months. I have a number of such contracts on my books now, and they may call for it in November, December, January or February, but I want them to give me the 10 days' notice when they call. I think something to take care of that should be put in the rule.

Mr. Caldwell: I do not think you should have 10 days' notice.

Mr. Murrel: With a 10-day contract he is entitled to 10 days in which to ship.

Mr. Caldwell: My idea is to eliminate the possibility of taking advantage of a technicality there.

Mr. Manning: Many shippers are not in position to comply with five-day billing instructions. There is nothing in these rules that prevents a buyer and seller getting together on five days' notice if they wish, whether it is a 10-day contract, a 30-day or a 60-day contract.

Mr. Sturtevant: That is correct, and I believe the rule as presented is an expression of what usually takes place in these contracts. Nine out of 10 provide for five-day shipping notice.

Mr. Manning: I move the amendment of Mr. Caldwell be tabled.

Mr. Green: I will second the motion.

Mr. MacDonald: On the original motion, I came prepared to oppose Rules 6 and 7 on account of their language, and I have been a bit confused here. I hope we will indefinitely postpone action on this rule you are now contemplating, and also 6 and 7 as drafted, on the theory that we want shorter rules, not longer rules, fewer rules, not more rules. If our rules are to be national we must not try to cover every local situation; we must work along broad lines to the greatest possible extent. The Constitution of the United States has gone quite a while, with only a few amendments, and we have too many of those.

Mr. Sturtevant: To which do you refer?

Mr. MacDonald: Rules 6 and 7 should be allowed to remain as they are.

Mr. Sturtevant: Mr. MacDonald's remarks are well taken. We should consider only the amendments that are vitally necessary. We were talking over the proposition to change Rules 6 and 7, and I framed a deal with Mr. Watkins that he would make a motion to table these proposed changes, and that should have come up first.

Mr. Manning: I will withdraw my motion, if that will clear the situation.

Mr. Watkins: Far be it from me to seek to limit debate on these trade rules in any way, but this is the third convention where we have had these proposed changes and substitutions in Rules 6 and 7 presented, and I never have been able to convince myself that the changes were justifiable, and I suggest that the changes in Rules 6 and 7 be indefinitely postponed.

Mr. Manning: I will second that.

Mr. Green: The last convention held in Kansas City was my first convention, and I am charged to have nothing done to Rule 7. It is holy ground and let us keep off of it.

(Motion of Mr. Watkins carried.)

Mr. Sturtevant: The road is now clear for the consideration of Mr. Manning's motion.

Mr. Manning: I wish to reinstate the motion, and to call attention to the fact that many buyers take the position they can give billing instructions on the last day of the contract. That is obviously unfair in a buyer's option contract, and we have no rule that covers that situation. I move the adoption of this rule.

Mr. Green: I will second it.

Mr. Buchanan: It occurs to me that if the rule were changed to read "when contracts maturing after 10 days provide for buyer's option," it may meet Mr. Caldwell's objection and still carry all the good features.

Mr. Caldwell: That would be a good change.

Mr. Watkins: I have no doubt this rule has some elements of justice and necessity in it, but this convention scarcely knows enough about the ultimate results of it to pass on it. These changes should be made very carefully and with a great deal of thought, and if it is not doing a great deal of injustice to the trade, I would suggest the matter be laid over for another year.

Mr. Manning: The more I think about this rule, the more important it seems to me. There are hundreds of these buyer's option contracts out-standing

right now, and many of the members in the past have taken the position they can give billing instructions on the last day of the contract, and if a situation like that comes before the arbitration committee, what are you going to do?

Mr. Murrel: We would say first that the seller in that kind of a contract is rather foolish.

Mr. Manning: The position is generally taken that a seller is entitled to 10 days' notice. That is common custom, and if it is put up to you, and it is buyer's option absolutely within 60 days, suppose he gives it on the last day of the contract and the market is away down.

Mr. Booth: I had the privilege of sitting on an appeals case in Chicago 10 days ago involving this very point. It was not disputed by either side that this 10-day feature was understood. There was no rule for it. The seller had opinions from different shippers as to the prevalence of the custom of the 10 days' notice, and that was considered as the basis for decision in this appeals case. As long as it is so well understood and is a working basis now, why not have it in a rule?

Mr. Sturtevant: This was presented on account of a letter I received last week, and I will read you the letter and the reply made to it.

Minneapolis, Minn.,
September 28, 1925

Mr. C. D. Sturtevant, Chairman,
Trade Rules Committee,
Grain Dealers National Association,
Omaha, Nebr.

Dear Sir:

Where oats are sold for September shipment, cars to be ordered at buyer's option and the shipping directions are not furnished until two or three days before the expiration of the delivery month, is the seller obliged to ship the oats during September, or is he allowed a longer time to make delivery? Your opinion will be appreciated.

Yours truly,
Quinn-Shepherdson Co.,
'Signed' L. J. D.

Omaha, Nebr.,
October 2, 1925

Quinn-Shepherdson Company,
Minneapolis, Minn.
Gentlemen:

I acknowledge receipt of your inquiry of the 28th. I am enclosing herewith for your information copy of the Trade Rules and refer you to Rule 6. This rule contemplates the seller's option as to time of shipment and does not, therefore, exactly cover your proposition. It should, however, be considered as having a bearing on the question.

Most contracts for buyer's option shipment during a specified period provide for "10 days shipping notice by the buyer." When this clause is included the buyer must furnish shipping instructions at least 10 days before the expiration of the contract. If this clause is not included, an arbitration committee will have to decide what was a reasonable time and as our rules on time of shipment provide that 10 days shall be understood unless otherwise specified, they would be justified in holding that 10 days shipping notice was understood, unless there was something in the contract or in the correspondence about it upon which they could base a different finding. I believe it was your duty to demand billing instructions in time to permit you to load in contract time, and if you did so and the buyer neglected or refused to furnish same, then I believe a committee would find that you should be permitted sufficient time to load after billing instructions were furnished. What that time would be would have to be decided by a committee, after a consideration of all of the facts, but as stated above, they would be justified in allowing you 10 days in the absence of any understanding or agreement to the contrary.

If you did not demand billing instructions until too late to permit you to load in contract time, the committee might find that you slept on your rights and had no recourse, but a question of this kind is necessarily so complicated that it is almost impossible to base an opinion unless all of the documents relating to the transaction are considered.

The opinions expressed in this letter are personal with the writer and are in no way binding upon the Association nor upon the Arbitration or Appeals Committees.

Yours truly,
C. D. Sturtevant,
Chairman, Trade Rules Committee.

Mr. Murrel: I will second Mr. Mannings' motion. (Carried.)

Mr. Sturtevant: The next is proposed new paragraph to Rule 23. Some of our members are complaining bitterly of the long delay in returns, particularly from the Pacific Coast.

Mr. Hankerson: What is considered a reasonable time?

Mr. Sturtevant: That would have to be fixed by the conditions in each case.

Mr. Hankerson: Aren't we muddling it by saying reasonable time? That is too indefinite. I believe we should get something more definite. I am in accord with the proposed amendment, but think you should make it more definite.

Mr. Manning: Any man that can get a bill of lading should be able to get an affidavit of weight at the same time.

Mr. Sturtevant: The original shipment is usually not made on basis of shipper's weight. It is shipped to the terminal market. The man says "I can sell this on your weights?" Perhaps he telephones "Are your weights correct?" And the man in the country says "Yes, and I'll send you an affidavit of weights." And he sells on the basis of shipper's weights, and then he tries to get an affidavit from the shipper, and sometimes he gets it and sometimes he doesn't. That is the way the disputes usually arise.

If there is no motion with reference to this, the matter will fall of its own weight.

The next proposition as to Rule 23 is as follows:

Rule No. 23. Add to Last Paragraph

"If the seller does not furnish affidavit of weights attached to the draft or the invoice, or within a reasonable time thereafter, settlement shall be based upon unloading weights."

Rule No. 23. Proposed New Paragraph

"When grain is bought on the basis of official destination inspection (and / or weights) and the buyer, by the terms of the contract, has the option of selecting the destination, settlement shall be based upon the official inspection (and / or weights) of the first terminal market to which the grain is shipped."

Rule No. 23. Proposed New Paragraph

"When grain is bought on the basis of state inspection settlement shall be made on the basis of the inspection at the first official inspection point in the state named where the shipment is stopped in transit, except in the case of plugged or improperly loaded cars."

Rule No. 23 now reads as follows:

RULE 23. WEIGHTS AND INSPECTION OF GRAIN SOLD DESTINATION TERMS. (a) On grain sold track-loading station, or delivered basis destination terms, it shall be the duty of track buyers, receivers, millers and consumers of grain at points of destination where no regularly constituted rules and regulations are in effect, first, to obtain the consent of seller to make such delivery, and then to furnish to the seller sworn or public certificates of weights and grades; giving the postoffice, date, name of elevator, mill or warehouse, where weights were obtained, name of the weighmaster's employer, name of the weighmaster, location or description of leaks, if any, the seal record, the railroad agent's written acknowledgment of said leaks or other bad order conditions, when and where the grain was unloaded, and the original paid freight-bill on grain sold delivered.

(b) On a sale shipper's weights and grades it is understood shipments must be made by the seller from his own stations, or from stations that operate under the same tariff rates, regulations and conditions, and he must furnish the buyer sworn certificates of weight attached to draft or invoice, unless otherwise agreed at the time of sale.

Proposed New Rule

"It shall be the duty of the buyer of grain for domestic shipment, basis destination weights (and / or grades) to make returns to the seller within (7) days after the date of unloading. (If the buyer fail to make returns within the time provided herein, settlement shall be made on shipper's official or affidavit weights?)"

Proposed New Rule

"When grain is shipped to regular terminal markets by dealers not bound by the rules of such market, the buyer shall make all charges against the seller as provided for in the rules of such market."

I am in favor of the adoption of that rule. It remedies a situation that is unreasonable and unfair. For example, a case arose of a purchase of a car of corn on destination terms, buyer's option, and the buyer shipped to St. Joe and it graded there No. 3 Yellow corn. He shipped it to St. Louis, and it was heating, and he tried to make the shipper settle on St. Louis grades, although it was the proper grade at St. Joe.

Mr. Murrel: I move the adoption of that paragraph, with the elimination of the words shown in parenthesis.

Mr. Green: I second the motion.

Mr. Watkins: What do the words "terminal market" mean?

Mr. Sturtevant: Any place where there is official inspection.

Mr. Watkins: It should be so stated.

Mr. Sturtevant: Will you accept the elimination of the words "terminal market" and substitute therefore "the first official inspection point?"

Mr. Murrel: Yes. (Motion carried.)

Mr. Sturtevant: The next is another new paragraph to Rule 23.

That rule grows out of a number of contracts made on the basis of Kansas State inspection, and the car is shipped to Salina, and then to Wichita, and a different grade had at each point, and there is always an argument as to which grade governs.

Mr. Murrel: Our second paragraph does not cover that?

Mr. Sturtevant: No, sir, the two dovetail in together.

Mr. Murrel: I move it be adopted. (Seconded by Mr. Mason, and carried.)

Mr. Manning: I move for a reconsideration of this matter, and to eliminate all of the words after "transit."

Mr. Green: I will second the motion. (Motion carried.)

Mr. Sturtevant: The next is a proposed new rule.

Mr. Green: I move it be tabled. (Seconded by Mr. Caldwell, and carried.)

Mr. Sturtevant: The next is another proposed new rule.

Mr. Watkins: That is a matter of contract, and I move the rule be tabled. (Seconded by Mr. Green, and carried.)

Mr. Sturtevant: Rule 32 is the new carload rule adopted at the last convention. I do not believe anything has been the subject of more controversy than that rule. It is theoretically sound, it seems fair, but we ran against a crop of heavy oats on a declining market, and everyone who had cars of oats bought got from 80,000 pounds up, and in attempting to settle in accordance with this rule got into trouble. The theory is that the buyer in buying carloads should have some knowledge of the amount he is going to get. From the sellers' standpoint, at the country stations many have not scales, and they are compelled to load in accord with the ideas of the railroad agent, and there should be some line to which they

could work. The question whether the amounts provided in the rule at present are correct I think should be considered. At present he has the option of shipping any amount between 64,000 and 70,000 pounds. Should we make it between 64,000 and 80,000?

Rule No. 32

(We would like to have a general discussion of the practical working of Rule No. 32 during the past year.)

Rule No. 32 referred to above by Mr. Sturtevant now reads as follows:

RULE 32. CARLOADS: (a) When grain is sold by carload the seller shall have the privilege of loading the amounts shown below:

If no size car is specified, or if an 80,000 pounds' capacity car is specified, a carload of shelled corn, wheat, milo maize, rye, kafir corn, barley or feterita shall be 80,000 to 88,000 pounds, and of ear corn or oats 64,000 to 70,000 pounds.

If a 60,000 pounds' capacity car is specified, a carload of shelled corn, wheat, milo maize, rye, kafir corn, barley or feterita shall be 60,000 to 66,000 pounds, and of ear corn or oats 48,000 to 54,000 pounds.

If a 100,000 pounds' capacity car is specified, a carload of shell corn, wheat, milo maize, rye, kafir corn, barley or feterita shall be 100,000 to 110,000 pounds, and of ear corn or oats 80,000 to 88,000 pounds.

(b) In case of default, the contract shall be adjusted on the following basis:

If no size car is specified, or if an 80,000 pounds' capacity car is specified, a carload of shelled corn, wheat, milo maize, rye, kafir corn, barley or feterita shall be 84,000 pounds and of ear corn or oats 67,000 pounds.

If a 60,000 pounds' capacity car is specified, a carload of shelled corn, wheat, milo maize, rye, kafir corn, barley or feterita shall be 63,000 pounds, and of ear corn or oats 51,000 pounds.

If a 100,000 pounds' capacity car is specified, a carload of shelled corn, wheat, milo maize, rye, kafir corn, barley or feterita shall be 105,000 pounds and of ear corn or oats 84,000 pounds.

(c) If the seller loads more or less than the amounts shown in section (a) in the size car contracted for, the buyer shall accept it on contract and adjust the shortage or surplus between actual

national rule verbatim. I wanted Mr. Smith to tell his story, so you would appreciate the country's shipper's angle on the matter.

Mr. Caldwell: Is this the way the rule actually reads, the way it is written here?

Mr. Sturtevant: Yes.

Mr. Booth: When I started in the grain business, the first elevator man I called upon I found in a car scooping oats back to the roof. I said "Why are you loading that car so heavy?" He said "I have got a car sold, and the market has gone down like everything, and I am going to get all the oats in that car that I can." We are all familiar with the different phases of this rule. It simply provides that a fellow specify what he is selling, and provides that the man take what is sold. We in Chicago contend that a man should sell bushels, and that a man should not be required to buy a pig in a poke. When you do not know what you have bought, you cannot hedge.

Mr. Sturtevant: You have heard the two sides to this controversy. The Association should reach a middle ground between these two views, where the buyer and seller can meet fairly. Whether this rule does so, I am not prepared to say.

Mr. Caldwell: I can see where this rule is misleading. I do not blame Mr. Smith. He specified 80,000 pounds of oats to the car?

Mr. Murrel: No; an 80-capacity car.

Mr. Sturtevant: In ordinary years you cannot get 80,000 bushels in an 80-capacity car.

Mr. Eikenberry: As a country shipper, I can understand what that rule means. It seems definite enough, and gives the country shipper a leeway of 6,000 pounds, which is against the receiver, and he may load down to the minimum or up to the maximum, so if there is any advantage to the rule now, it lies with the shipper. I cannot understand how definiteness of contract can be in any manner obtained without the statement of some limits such as are stated in this rule. The trouble with the country trade, and I am part of it, is that we do business in an indefinite way, and do not consider ourselves bound by definite contracts, which are a necessity in any line of business. Our troubles arise from our negligence in this respect. I believe the rule is as good as can be devised. I move that the rule be allowed to remain as it is.

Mr. Green: I will second the motion.

Mr. Manning: We have been buying considerable oats, and have been taking up to 88,000 pounds in 80-capacity car without complaining. I was wondering if Mr. Smith loaded these cars under a misconception of this rule, or did not know the weights.

Mr. Sturtevant: Mr. Smith knew the weights, but didn't know we had such a rule.

Mr. Smith, Texas: The railroads specify that 64,000 pounds is the minimum for an 80-capacity car. You have to pay freight on that anyway. That gives them a leeway of 10 per cent, and it looks like a pretty fair rule.

Mr. Sturtevant: I will rule no motion is necessary on this. I wanted the terminal market men to realize the country shipper's position.

The next is to repeal Rule 37.

Rule No. 37

(This rule should be repealed because it is now obsolete.)

Rule No. 37 now reads:

RULE 37. WAR TAX ON FREIGHT CHARGES: On all grain sold delivered it shall be the duty of the seller to pay the tax imposed by the Federal War Tax Law, entitled "An Act to Provide Revenue to Defray War Expenses, and for Other Purposes," approved October 3, 1917. It shall be the duty of the buyer to pay the said war tax on all grain bought f. o. b. shipping point. It is the intention of this rule to impose the said war tax upon the party who, by the terms of the contract, assumes liability for the freight charges. This rule shall be in effect until the said war taxes are abolished. (Repealed October 3, 1922.)

Mr. Green: I move it be repealed. (Seconded by Mr. Manning, and carried.)

Mr. Sturtevant: I will pass Rule 39. The next is to add to Rule 42. Since this was printed the suggestion was made that the seller pay the freight charges on the dockage up to the first unloading point. I think that is fair and should be adopted.

Rule No. 39

(We would like to have a general discussion of this rule. While the theory upon which the rule is based is sound, it does not seem to work out very well in practice, and I believe that a general discussion might help to clarify the situation and possibly lead to the adoption of a more workable rule.)

Rule No. 39 referred to by Chairman Sturtevant, now reads as follows:

RULE 39. EXCHANGE AND COLLECTION CHARGES: The inherent right of the seller to collect his drafts through the bank of his choice shall not be questioned. It shall be the duty of the buyer to pay exchange and collection charges on domestic drafts, when the transaction is made "track point of shipment." It shall be the duty of the seller to pay such charges in all other cases.

Add to Rule No. 42

"And the seller shall pay the freight charges on the dockage."

Rule 42 now reads as follows:

"RULE 42. DOCKAGE: When grain is sold subject to dockage in accordance with Federal standards, the trade shall be consumed upon the basis of the net number of bushels."

Mr. Murrel: I move its adoption. (Seconded by Mr. Caldwell, and carried.)

Mr. MacDonald: Would you be willing to add in Rule 38-b "24 hours after notice of the arrival," in-

stead of the way it reads? I have no desire to hang anything onto the shipper, and to have it claimed that if a notice were not received for a week or 10 days, the guaranty would continue. In most instances the notice is received within two or three hours, but this would permit of the receipt of post card notices from some points where the railroads do not wire. It is understood that where grain is billed to a diversion point, only one diversion is allowed, but the guaranty is effective, provided it is ordered within 24 hours from notice of the arrival of the car.

Mr. Green: I move the adoption of Mr. MacDonald's suggestion. Mr. MacDonald has been talking to us for three years on that, and I think he is right.

Mr. Mason: That was brought up last year in open meeting and was not changed. Unless it had the O. K. of the chairman of this Committee, and there was a demand for it, I would hesitate to see it passed.

Mr. MacDonald: I do not want to get too trite in this matter, but in an open meeting I had the assurance, in the absence of Mr. Sturtevant, that this would be carefully considered and publicity given it. It is not an unfair rule. Mr. Mason sells in our territory, and he knows the guaranty I ask is not contrary to the way they do sell. We do not have enough New England members. There are some members who are sticklers for rules. Mr. Quinn had some correspondence with Noyes & Colby, and he thought they were mildly interested in becoming members. I went to see Mr. Noyes, and he said "Never will we become members while Rule 38 is in effect." I do not trade under grain dealer rules any of the time as far as I know. Everybody who sells me is fussy to make sure he sells under Chicago, or Milwaukee or Minneapolis Chamber of Commerce rules. If we desire to make our Association national, why have a rule which is a joke for a large consuming section, for we raise none of our grain, we buy



C. W. PERSHING AND W. R. SCOTT

weights and the amounts shown in section (b) at the fair market value on the day after the car is unloaded.

Mr. Murrel: You can't make that much more fool-proof. They must take care of themselves by means of their contract beyond this.

Mr. Smith, Leverett, Iowa: In July I sold over the telephone to Omaha nine 80-capacity cars of oats? We agreed on the price and on the time of shipment. Nothing was said about bushels, only that they were to be 80-capacity cars. My understanding was that I should load an 80-capacity car, whatever I could get into it. It has to be loaded to capacity to get into it, the weight the railroad company requires. They sent a confirmation, and I signed it, supposing it was the same as confirmations I had signed many times before. There was a bunch of little fine print rules at the bottom, and I didn't bother with them. I shipped them the nine cars. When the first return came back, I discovered the nigger in the woodpile, the joker in that Rule. The first car contained 84,040 pounds. They settled 70,000 and took the rest on overage, and docked me \$8.77. I kicked. The man who doesn't kick when he has a chance loses half the pleasure of life. Considerable correspondence passed, but nothing came of it. They said it was settled according to the rules of the Omaha Grain Exchange, and nothing could be done, and I would have to take my medicine. On the nine cars they docked me a total of \$72.50. That is not much in the grain trade, but it is important to me. They docked me that on overage, not on shortage.

Mr. Murrel: That was on account of decline in the market. Your surplus was worth less than the contract price.

Mr. Smith: No, it wasn't.

Mr. Mason: Where was it unloaded?

Mr. Smith: Somewhere near Omaha.

Mr. Sturtevant: The Omaha market adopted the



A. S. MAC DONALD

it from you. I would be willing to offer the amendment in the form of 48 hours after arrival.

Mr. Smith, Texas: Would it suit to make it 24 hours after notice has been mailed?

Mr. MacDonald: Provided a car arrived today, say at seven o'clock, and notice is mailed and I get it at 8:30 the next day, I have lost my guaranty.

Mr. Smith, Texas: I think 48 hours would be better, as suggested by Mr. MacDonald.

Mr. Manning: What do you mean by arrival?

Mr. MacDonald: The hour and day when it arrives.

Mr. Manning: Are you given that information?

Mr. MacDonald: Yes, sir; we know the hour at which the car arrives.

Mr. Sturtevant: It would be my suggestion that you offer that in the form of 48 hours after arrival, instead of 24 hours after notice, as being more definite.

Mr. MacDonald: I am perfectly willing. If you make it 48 hours, it gives us a little more time as a matter of fact, because very frequently we get it in seven hours.

Mr. Sturtevant: The motion is that the words "24 hours" in Rule 38 be amended to read "48 hours."

Mr. Mason: That is going to allow them another 24 hours in Spokane, and I do not believe that should be. Mr. MacDonald asked that this be discussed in the trade papers, and I feel like apologizing to him, but I do not think snap judgment on this should be taken. (Motion carried.)

Mr. Sturtevant: That completes the work on the trade rules.

Mr. Caldwell: Would it be possible at the next convention for the proposed changes or new rules to be handed to the member as they register? When they come up as they have today, we do not have enough opportunity to go over them.

Mr. Sturtevant: They have all been published in *Who's Who*. They always are.

The President: We have a number of reports on the

program this morning, but it is getting very late. If there are no objections, there is nothing in these reports that will require specific action at this time, and I would entertain a motion that we dispense with the reading of these reports. They will all be printed for your future consideration.

Mr. Sturtevant: I will so move. (Seconded by Mr. Green and carried).

REPORT OF THE MEMBERSHIP COMMITTEE

AT THE annual convention held in Cincinnati, Ohio, last year, I was honored by having been appointed chairman of the Membership Committee, and my every hope and effort has been put forth to the end that the present year might prove to be the most successful in the history of our organization. It now becomes my pleasant duty to report to you that the past year, as far as new members are concerned, has been the best for several years.

We have admitted 191 new members, as compared with 147 in the year 1924 and 158 in the year 1923. At this time we have 4,117 members in good standing. It is furthermore a source of real gratification that the number of resignations and lapsations have been the smallest in a number of years.

We have had real co-operation between the members of the committee, Harry Williams of Nashville, Tenn., Ben B. Bishopp of Sheldon, Ill., J. Mikkelsen of Seattle, Wash., E. H. Hunting of Sioux City, Iowa, G. Ellsworth Meech of Middletown, Conn., myself and your officers, particularly President F. G. Horner and our efficient and veteran secretary, Charles Quinn.

The Boosters of the Association have responded nobly and have been successful in interesting many new firms and individuals. I cannot refrain from extending the thanks of our committee to all, and particularly to Claude Helm of Cleveland, Ohio, George E. Booth of Chicago, Ill., John Stark of Kansas City, Mo., E. C. Dreyer of St. Louis, Mo., W. G. Kirkpatrick

our Association by co-operation and encouragement.

Whatever success the Membership Committee has been privileged to report, is primarily due to our capable and energetic secretary, Mr. Quinn, and his staff. Indeed, it was entirely his directing influence and appeal which kept up the enthusiasm and activities of the Boosters and your Membership Committee.

In conclusion I desire to thank Mr. Horner and Mr. Quinn for their courtesies, assistance and untiring efforts in the interest of the Grain Dealers National Association,—also, the members of my committee and every booster, for their loyal support.

REPORTS OF THE ARBITRATION COMMITTEES

REPORT OF COMMITTEE NO. 1

In acting as an arbitrator of this Association, covering a period of nearly 10 years, I have learned that most disputes are the result of carelessness on



S. L. RICE
Chairman Arbitration Committee No. 3

the part of the dealers; loosely worded contracts, telephone agreements, not followed by written contracts, and incomplete contracts.

Arbitration, as a means of settling controversies, is becoming more and more popular. Will Hayes, in speaking of the arbitration work in the motion picture industry, estimated the saving in that one line as being over \$1,500,000 per year.

The work done by your committees in this Association is of great value to the trade, in the saving of both time and money.

The cases coming before this Committee during the past two years have been cases which are not covered by one or more of our trade rules, whereas, a few years ago, all cases resulted from infractions of our rules. This would suggest that our members are trading in a more uniform manner.

This Committee has at all times received invaluable assistance from Secretary Quinn—in fact, do not know what this Committee would have done without his assistance.

At the present time we have one case on our docket. Respectfully submitted,

J. R. MURREL, JR., Chairman

REPORT OF COMMITTEE NO. 2

Arbitration Committee No. 2 during the past year has held one meeting at which we decided three cases. We have two more cases pending on which we hoped to have a meeting at this convention, but as this is impossible, decision will be rendered shortly.

Should comments be in order regarding the preparation of cases, the writer would suggest that while certain cases are prepared very completely, other arbitrators fail to grasp the importance of proving the actual loss sustained. This might even lead an arbitration committee to find against the plaintiff, in that he had not proved his case, even though there rests with the committee a faint suspicion that he might be right.

We would recommend that more care be exercised in the confirmation of all the terms surrounding a contract, which would eliminate a large number of these controversies that come before the various committees. Furthermore, if there are any unusual customs in any locality, or at any season of the year, for example when new corn starts to move, the parties to a contract who wish to avail themselves of this custom should have the matter fully understood by the other party to the contract.

Respectfully submitted,

E. H. BINGHAM, Chairman

REPORT OF COMMITTEE NO. 3

In submitting that portion of our report referring to the accomplishment of Arbitration Committee No. 3, will say that one meeting was held during the year, decisions on six cases were rendered; two cases are now on docket. We must hold a meeting before these can be decided.

Deep sorrow came to us last April when the wires brought the news that Frank A. Coles of Middle-

town, Conn., had passed from this life. He had been a member of this Committee from its inception. He was always willing to lay aside his regular duties in order that he might do something for the other fellow. During those trying times following the World War, when arbitration was at its zenith, and our Committee was receiving an average of more than a case every two weeks, Frank A. Coles never hesitated to respond to do his part of the task at hand. As a friend, and as a member of this Association, our loss is irreparable.

For one in the prime of life to be taken from us is beyond our understanding, but he left a rich heritage—the memory of deeds done so well and sincerely for others.

I now ask you to stand with bowed heads for a moment in honor and respect to him.

Respectfully submitted,

S. L. RICE, Chairman

REPORT OF COMMITTEE NO. 5

Arbitration Committee No. 5 of the Grain Dealers National Association takes pleasure in handing you herewith report of the cases handled by them during the past year. There were six cases, involving approximately \$7,000, on which decisions were rendered and we are pleased to say that in each instance the decision was unanimous. The comparatively small number of cases submitted to this committee would indicate that our members in this district have a very good understanding of our rules and are careful to avoid misunderstanding in their trades. This intelligence is further borne out by the excellent manner in which the evidence in the cases we have handled was submitted, as in every case, the committee has been a unit in arriving at and wording the decision. The only suggestion we could make would be to have our members post themselves better on decisions that have been rendered as several of the cases we have handled are identical with cases that have been handled by Arbitration Committees before and if litigants had been better posted on previous decisions, they doubtless would not have gone to arbitration.

We want to take this opportunity to thank you and your organization for your courteous and business-



HARRY J. SMITH
Chairman Arbitration Committee No. 5

like manner in handling these matters.

Respectfully submitted,

HARRY J. SMITH, Chairman

The President: I will ask the secretary to read the Auditing Committee's report.

AUDITING COMMITTEE

We, the auditing committee, have this thirteenth day of October, 1925, examined all books of the Grain Dealers National Association and find them to be correct with the report submitted by Ernst & Ernst, Public Certified Accountants, and also the secretary-treasurer's report.

The accuracy, neatness and efficiency of these books is deserving of commendation.

Mr. Green: I move the report of the Auditing Committee be adopted. (Seconded by Mr. Manning and carried).

Mr. Green: I have just received a message from one of our members who has done a great deal for the Association: "Best wishes to all of the boys. Heavy rains last night. Wheat seeding only 30 per cent. Finished crop will be cut 40 per cent at least. Corn harvesting commencing. Farmers are slow sellers at prevailing prices. I hope you all have fine time. Elmer Hutchinson, Arlington, Ind."

Mr. Manning: I move we adjourn. (Seconded by Mr. Caldwell, and carried.)



E. H. BINGHAM
Chairman Arbitration Committee No. 2

of Great Falls, Mont., and the Ryer Grain Company of Portland, Ore.,

Notwithstanding these results, I admit that we have but "scratched the surface". When our members, as well as non-members realize that the G. D. N. A. is more than just form and that the organization earnestly strives at all times to protect the best interests of all grain growers, dealers and merchants, and that it is ever alert and watchful, standing for righteousness and justice—then its future growth, influence and strength are assured. In fact, our Association is essential to the betterment of the trade. We are all aware of the agitations and discussions, based upon incomplete and inadequate, careless and generally unscientific knowledge, that have taken place regarding the grain business. Partial truths have been used in a ferocious endeavor to readjust what was considered an iniquitous arrangement, and hasty, ill-advised legislation was advocated in response to a wave of unreasoning emotion. It was then that you found the G. D. N. A. "sitting steady in the boat", navigating cautiously with a care, learned through years of experience and investigation.

When the aims and ideals, the accomplishments, the benefits and protection of our organization are thoroughly understood and realized by men interested in agriculture and grain, those men will seek membership in our Association and will value the same. And we should encourage and assist our officers and leaders in their efforts to increase the usefulness of

The Banquet Session

On Tuesday night the annual banquet was given at the Kansas City Club, with an unusually large attendance. The decorations, including a model elevator, which stood near the door of the banquet hall, were arranged by the employees of the club. Following the speeches, a dance was given at the club. The toastmaster was introduced by President Gamage of the Kansas City Board of Trade.

Mr. Gamage: Ladies and gentlemen: I understand there are nearly a thousand here in attendance at this banquet, which I believe establishes a record in so far as banquets of the Grain Dealers National Association are concerned. This demonstrates that Kansas City occupies a warm spot in the heart of the grain trade of this country. It is my pleasure and my privilege to introduce at this time F. G. Crowell, who will be our toastmaster for the evening.

LADIES and gentlemen, there is represented here tonight an organization that has on its membership roll 4,500 members. It is a privilege and a pleasure for the Kansas City Board of Trade tonight to act as host. Under ordinary circumstances it is expected that your toastmaster will indulge in a few pleasantries and introduce the speakers of the evening. The stories I might tell, the viewpoints I might have are taboo. We are fortunate in having as our speakers men who must understand that 75 per cent of the membership of this Association deal directly with the grower, and that the grain dealers and grain exchanges represent an integrity and commercial fairness unequalled in any other branch of industry in the United States; that transactions running into millions of dollars are made by word of mouth by the men of this organization. We want them to know also that this Exchange and the other exchanges of the country do not claim to be 99 per cent pure. There have been gunmen and highbinders in our boards of trade and outside of our boards of trade that have caused serious comment. We have recently passed rules, at the request of the Department of Agriculture at Washington which we hope will cure some of the evils that exist. But I want to say to you that all the rules that the exchanges might pass will not eradicate the evils that exist unless upon the boards of directors and their committees are fearless, courageous and highminded men.

We have at this board tonight a great senator from the State of Missouri, one of the most fearless men in the United States Senate. We have with us the Governor of the imperial State of Missouri, and we have also Governor Bailey of the Federal Reserve Bank. We want them to know that the grain exchanges of the country do not need any McNary Haugen bill. We ask them, in state and national legislation, in matters affecting the rates of interest as applicable to the movement of the agricultural products of the country, and with the immense power that the Federal Reserve Banks have in indicating to the administrative authorities the necessity of some place where the buyer and seller will meet, that they will always take into consideration the fact that we as men, as business men, do not fear any legitimate inquiry, but we certainly will condemn at the hands of any one a simple dogmatic abuse of the exchanges of this country. We hope we have a Secretary of Agriculture who will move with caution. We do not believe in the dissemination of crop reports that are far from being correct, or, whether it comes from a cabinet officer or not, a prediction regarding the rise and fall of our grain, unless it is backed up by knowledge that is absolutely certain, because it leads to speculation by people who do not understand the grain trade or the movement of crops in the interior for domestic or for foreign use. Any word that comes from a national administration from the Department of Agriculture must be cautiously given out. I make this explanation by reason of the fact that sitting at this board tonight are men who have to deal with national and state and fiscal legislation that is of the greatest importance to us.

It is my privilege to introduce tonight the governor of a state that has two of the four largest grain exchanges in the United States, a man who should, if he has not, study these questions carefully, and while I myself take off my hat to the imperial State of Iowa and its tall corn, I state as a certainty that the State of Missouri grows the tallest corn in the United States. It is now my privilege to introduce to you Governor Baker, of Missouri.

ADDRESS OF GOVERNOR BAKER

MR. TOASTMASTER, ladies and gentlemen: I certainly am pleased at this great gathering tonight. I have enjoyed every moment of the program thus far.

It is my understanding that the purpose of the Grain Dealers National Association might be considered as two-fold. Its first purpose is to band together, in one common body, the personnel of the grain and milling industries of the United States, Canada and Mexico, to educate them to fair and economic trade practice; to generally improve the moral conduct of the business, and to co-operate in the as-

sembling and distribution of trade information that will improve service and distribution of grain so that it will move more freely and economically from producer to consumer.

Its other, and second purpose, is to have an organization of almost continental scope, large enough to cover all phases of the business and to protect the interest of its members; to handle their legislative and transportation problems and to promulgate trade rules and customs that will improve the service of its members to each other and to the producer and consumers.

From this viewpoint I look upon your organization about like the late Mark Twain of Missouri did the Pacific Ocean. Twain and a party of distinguished scholars were viewing that great body of water and after a number of the most scholarly members of the party had expressed their views of the ocean in language befitting men of their position Twain was pressed for his opinion of the ocean. After a moment's hesitation the Missourian pointed toward the incoming tide and remarked: "Gentlemen, she's a success."

I take it that your association is concerned with such studies and investigations as will be helpful to the producers and the consumers alike, to the end that our people will be properly supplied with the food products of the soil. In other words it seems important that your association be concerned in a program that will inquire into land economics with a view of encouraging a wholesome system of land tenure; land resources and utilization; land settlement and colonization; the marketing of farm products with a view of better distribution, standardization and grading of products; crop production, in the United States, Canada, Mexico and foreign lands;



FRANK G. CROWELL

historical and geographical studies in production and distribution with a view of interpreting the trend of agricultural prices and production; and, generally, the geography of the world's agriculture; methods of finance, stocks in storage; taxation and its relation to production and distribution; the financing of crop enterprises; agricultural conditions in countries which compete with the United States, Canada and Mexico; the characteristics and changes in rural home life and its relation to agriculture; the trend of agriculture and population; in short, everything which may be helpful to the farmer in producing with judgment.

The marketing of grain crops is important to each and every member of this association, whether he lives in the United States, Canada or Mexico, but marketing the grain crops is not only important to the membership of your association, but it is important to the producers as well. The crops grown have no value unless they can be put into the hands of those who need them. The assembling and the distribution of the wheat and corn crop, the farmers wages and the energy and the intelligence with which the farmer works and the number of hours he works, the cost he incurs in producing crops—none of these is considered in determining the prices paid to the farmer for his grain.

Under such conditions the producer must work on faith, he is compelled to carry all risks of weather, of heat and cold, of flood and drought, of storms, of insect pests, and various plant diseases.

The production of food has long been considered as a sacred obligation, but it is an obligation not in any sense more binding than the obligation to get that food to the consumer with the least possible waste and the least possible cost.

You must of necessity be concerned with freight rates. The cost of delivering the products of the

farmer to the consumer's table may be tremendously increased by an advance in transportation charges. Large advances in transportation charges are certain to impose a burden on the producers of grain. Large advances in freight rates, while bearable in a time of high prices, if continued without a corresponding advance in grain prices, are bound to depress agriculture and eventually involve the remaking of our agriculture maps.

Rail transportation is essential to agricultural production. Good rail service is of vital importance. The farmers realize that railroads cannot be maintained and operated efficiently unless permitted to charge rates which will cover all fair operating costs, maintain their road beds and equipment, and pay a fair rate on the money invested. No one has a greater interest than the farmer in efficient transportation. It is indeed important that you give your attention to such changes in transportation rates as are made without due consideration of their effect on agricultural production, for to make such changes will create profound disturbance and impose great injustice.

In the marketing of grain, investigations are necessary for the purpose of determining the relation and intrinsic values of such factors as protein content, gluten content, and color, texture, general appearances, different forms of damages and mixtures of various impurities and treatment to which grain is subjected in handling.

All this is necessary in order, not merely that grain may be properly graded, but also that the most suitable kinds of grain may be bred, introduced and grown. This work has the profoundest effect on farm operations.

In order that a new variety of wheat may be readily acceptable to the farmer and to the grain trade, it must be determined, before it is distributed, that it meets the demand of the market. Otherwise, it would be to no advantage, but an actual detriment to introduce a new variety of wheat, which yields more than the variety a farmer is now growing, but which has a poorer milling quality, as he would receive a lower price for it on the market; therefore, we have resorted to what is known as the protein test. Protein tests are analyses of wheat and are made in chemical laboratories, the same as gluten tests, moisture tests and any other tests that might be made. These tests are becoming more and more necessary and have become so common that the majority of the mills now buy their wheat with specific regard to percentages of protein and gluten.

This appears to have originated with bakers and baking industries of the country who, through their chemical departments, discovered that there is a direct relation between their production interests and the protein contents of the wheat they use. They began to make their milling mixtures of wheat accordingly. This led to a demand on the grain trade for wheat of different protein content and the discovery, by the trade, that wheat from different localities varied widely in protein content.

On account of the problems between bakers and millers, between millers and grain merchants, it became necessary to establish chemical analyses to determine the protein in wheat. It came about therefore that there was an increasing demand for such analyses, until finally practically all wheat, especially so in this part of the country, was bought and sold on the basis of such analyses.

Here at Kansas, both Missouri and Kansas State Inspection Departments have their modern and well equipped laboratories to determine the protein content of wheat grown in this section. I can say with a great measure of pride that Kansas City is in advance of all sections of the country in this movement. As protein has played such an important part in the grain markets of the world, such important grain trade centers as Minneapolis and Chicago, I am advised, will shortly have in operation large laboratories to determine the protein and gluten content of wheat.

Indeed I am glad to say that Missouri has been progressive in this matter and has been in advance in providing this need to the trade. While there is some difficulty, of course, in reflecting to the producer the exact measure of value that his wheat has, on a basis, substantially fair results are being obtained in this direction and I think it safe to say that, on the whole, the good farmer has been greatly benefitted by a substantial increased price for his good, sound, high protein wheat.

In closing, let me say that it is expected that buyers will drive the shrewdest possible bargains. Very often—indeed, it is the general rule—that the more the farmer produces the less the buyer pays. Thus we have large productions penalized. This penalty must depend upon the markets you fix in the world trade.

The Toastmaster: I regret to say that Governor Paulen of Kansas is unable to be present here tonight. We have listened to the panegyric of the Governor of Missouri. Under ordinary circumstances and conditions, the state lying to the west of us would perhaps be unfairly represented. Being an adopted son of Missouri and a native of that great State of Kansas, which has planted this year 12,000,000 acres of wheat, we as grain men in Kansas City have been always interested in the great commonwealth.

While the absence of Governor Paulen is regrettable, we have here tonight a man who in the legislative halls of Congress has served the State of Kansas with distinction, who in the past has been Governor of the imperial State of Kansas, who knows the needs of the farmer because he was a great and successful farmer, who at the present time has been honored, and has honored this section, as Governor of this Federal Reserve District; I have the pleasure of introducing to you Governor Bailey.

ADDRESS OF GOVERNOR BAILEY

MR. TOASTMASTER, Ladies and gentlemen: I was carried off my feet by this praise of Missouri. It was a wonderful tribute to a wonderful state. It is a fine thing that feeling that we all have. Over in Kansas where I have lived for nearly half a century—I may not look as old as I am, but I am much older than I wish I was—I have been in every county of that state, and I have had many fellows tell me that his was the best county in the state and for political reasons I used to agree with them. It is a fine thing for a man to believe that his home, however humble, is the best place on earth, and that his town, his county, his state and his country are the best in all the world. That is the genius of our civilization, Mr. Governor and ladies and gentlemen, and if a man hasn't that fine love of home and state and country, he falls far short of being a real American citizen.

I was invited over here tonight to talk a little on the Federal Reserve System and its relation to the credits of the country, so I will start at it. What gave birth to the idea of the Federal Reserve Bank? Why was it necessary? To best explain that I will give a little personal history. I commenced attending the meetings of the American Bankers' Association along in the early nineties, and at every meeting there was

hold us all, so you might as well go home," so I went home.

I had a good friend in Kansas City, Ed Sweeney, and he thought we had a good bank, and he would say to me, "If you ever have any trouble, let me know, and I'll see you have enough currency to pay all your depositors." So I went to see him. He said, "How are you fixed?" and I told him. He said, "You're better off than we are; you had better go home."

We had heard a good deal about clearing house certificates. We didn't have a clearing house, but we organized one right there and started to put out clearing house certificates, and in Atchison, without authority of law—and the idea wasn't original with us—we started a Federal Reserve Bank by issuing currency on our notes. We had our clearing house organized with a representative from each bank in the city. We went to the best printer in town, and on his best paper had him print one, five and 10 dollar bills. They had different colors of ink and some eagles, and looked like money, and we deposited them with a trustee, and all the banks in Atchison guaranteed the payment of these. If my bank wanted to get \$100,000 of this money, I took \$100,000 of the bills receivable out of my vault, and I didn't take any frozen assets either to lay down before those other birds. I laid down that \$100,000 and retired to give them a chance to examine them, and they pretty soon said, "All right," and gave me \$80,000 of these new bills, and we put them in circulation, and it worked all right. That is exactly what we do under authority of law in the Federal Reserve Banks.

Some one asks, "Who owns the Federal Reserve Banks anyway? It is not a Government bank." The Government hasn't a dollar invested in the Federal Reserve. Well, I won't quite say that I think they invested or appropriated \$100,000 for a junketing trip to locate the various banks, but they don't own a dollar of stock. It is all owned by the member banks. Every national bank is a member. They are compelled to keep up their reserves. Many of the state banks are members. The law provides they can come in and enjoy the protection of the Federal Reserve System. Their legal reserve is deposited in the 12 Federal Reserve Banks.

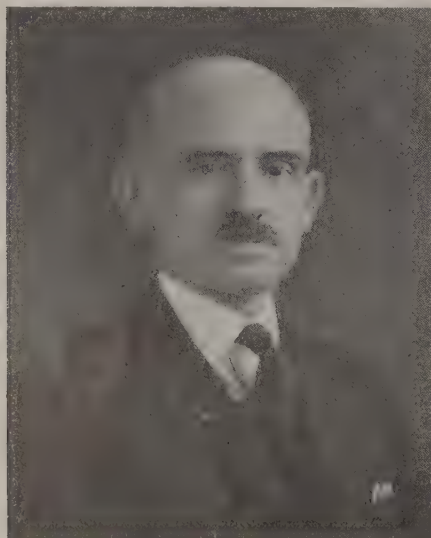
There is a complaint that they do not get any interest on these reserves. That is true, and they should not receive any interest, because a reserve is not a reserve when it draws it draws interest. In 1907, when I had that million in sight exchange I was getting 2½ and 3 per cent on it, and that carried the right to those banks to loan it, and on that day I found out those banks had loaned my money and I couldn't get a cent of it. When a reserve draws interest it loses its potential power as a reserve, but to compensate for their not getting interest, the legal reserves were cut down.

Now why are the reserves kept in the Federal Reserve Bank? On every dollar that a member bank has with the Federal Reserve Bank, he has increased two and a half times the financial power of this nation. In Atchison the Exchange Bank wants to rediscount \$100,000. I would take my little black grip and go down with \$100,000 of notes, and turn them over to the officers of the Federal Reserve Bank. They would inspect it, and if all right would agree to rediscount it. They take it to the Federal Reserve agent, who represents the Government at the Federal Reserve Bank here, and he would put those notes in his safe, and put \$40,000 of this gold we left there in reserve with those notes, to back up the new currency it gives us. So these notes are protected by the notes of the Exchange Bank of Atchison and \$40,000 of the reserve that we keep down there. Two hundred thousand men in an army, trained and mobilized, are a great national defense, but 200,000 men just as well trained standing in 200,000 parts over this country, would have no great potential power of defense. Under the old system each bank was for itself, and had its reserves with its correspondent banks or in its own vaults, and they were just as ineffective in a financial crisis as our country would be with these 200,000 men standing in 200,000 isolated places, but when they get together then they become a power for the economic welfare of the country. And scanning today the history of the past since Kaiser Bill started on his unfortunate trip, I thank God the Federal Reserve Act had been placed on the statute books of our country, or I don't know how we could have met that great emergency that came into our nation's life. Gentlemen, it was that that carried our flag to victory. We could not have met the situation under the old frozen national bank system. We would have had to do perhaps the same things they did in Europe, starting the printing presses, and with all our power we would have had to build a bridge clear to the moon, and at this time would be in worse shape than any other nation, but under the Federal Reserve system, we maintained the United States dollar at 100 cents the world around during all that terrible war. We were the only great nation that did so maintain it. It was England's proud boast that the pound sterling was the standard of value. During the war we turned back that proud boast and made Uncle Samuel's dollars the standard of value, and made the United States of America the greatest commercial nation in the world.

The war brought on inflation. That was effect following cause. It is the history of wars. Prices went

up. We were called upon to buy bonds, and we borrowed money to buy bonds. I did. The American people were at war, and the welfare of our country was first in our hearts. Now it is said the Federal Reserve Board and banks deflated prices after the war. During the war I don't think any one of the countries questioned about the inflation of prices. It was war. On it hung the nation's life. The President of the United States, the Congress of the United States appealed to the patriotism of the American people to loan their money so the United States could buy the things necessary to carry on the war. When the armistice came, another proclamation went out, "Better business or bigger business. Furnish work for the boys when they come home." They told us the shelves of Europe were empty, and they would buy everything we could produce, and every one was encouraged, and prices went higher, and profiteering became rampant, until the Attorney-General's office instituted suits against profiteering and the people went on a buyers' strike in 1920. Ed Howell used to make my clothes, first for \$50, and \$65, and finally \$100. I went in in the spring of 1920 to get a new suit, and he said it would cost \$150. I said, "I'm not going to pay \$150 for a suit of clothes." He said, "This is choice imported goods, and you will have to pay it," and I said, "Goodbye." I went home and told the missus, and she said, "Well, you will have to get a suit; that one is shiny," and I said, "I'll get some sand paper and take the shine out of it." We did have the old suit scrubbed and pressed. I got my shoes of Sam Stevens, for he has a peculiar last that makes shoes that fit me. Twenty-four dollars, and I used to pay seven. I says, "Not for me." I went home and got my shoes half-sole and had new rubber heels put on, and wore them another year. I was on a buyer's strike, and that was the action of the American people resenting the profiteering that was going on.

In that spring we had two million dollars of mer-



L. A. FULLER
General Chairman of the Kansas City Committee

a paper read by some political economist or big eastern banker discussing asset currency, and in view of the fact that my bank was represented there by myself, and my Board of Directors was willing to pay my expenses, I used to sit through this long discussion on asset currency. It went over my head like the wind that blew. I may have absorbed something, but I didn't assimilate it. In 1907 I was managing officer of a bank with \$2,500,000 of deposits, a good bank. We had heard in 1907 a discussion of close credits, and there was a kind of strained commercial condition. We had a directors' meeting one Friday night, and I told the directors we were in fine shape, that we had \$150,000 in the vaults and had 50 per cent of our cash in sight exchange, and I said, "Let them come on." I was feeling cocky, but they called me up from Kansas City and St. Joe on Sunday evening, and told me they were going to suspend currency payments on Monday. I got the other boys down before breakfast to discuss the matter. We didn't understand it, and they appointed me a committee of one to go and see what it meant. I was careful to have a draft for \$50,000 drawn payable to my order in currency, and signed by the cashier, so the bank wouldn't think I signed the draft and was going to run away. I went into the bank at St. Joe, where we had a couple of hundred thousand on deposit, and I met Mr. Fulkerson. I thought he wasn't as genial as usual. I said, "Fulkerson, I came for some currency." He said, "We aren't going to let you have it." I said, "I have a draft drawn on you for \$50,000 payable in currency." "We can't let you have it," he replied. Then I tried to make a legal presentation of that draft, but he said, "We aren't going to pay it, Governor." "Don't you know you are committing an act of insolvency, and what that means?" "Yes, but we are all doing it, and the jail won't



W. C. GOFFE
Who Presided at the Smoker

chandise at tidewater that had been sold to Europe, and they couldn't pay for it, and it was turned back on the manufacturing public, and they had to dispose of it the best they could. It is claimed we restricted prices. The way to deflate would have been to restrict credit in 1920, but from January 1, 1920 to January 2, 1921 the Federal Reserve Banks increased their discounts in this District \$50,000,000, 80 per cent of which was done for the farmer and stock producers of the country. It also increased the circulating medium something like \$10,000,000 in this District. If the Federal Reserve Board and banks had been responsible for that deflation, it would have been in the denial of credit, which was never done. It was just an economic law.

I have raised grain and bought grain, and been in the stock business all my life, and I know there is a law that works like the law of gravity, that no camouflage can beat, no McNary-Haugen Bill change, and that is the law of supply and demand. It eventually operates. If you have plenty of goods, they will be cheap; if you don't have enough to go around, they are going to be dear.

I am glad to see this advance step taken by the Chicago exchange in trying to eradicate the supposed cornering of the grain of the country, for on it depends the life of our people, their welfare and the prosperity of this great agricultural country. Out here we have one great basic industry, and that is agriculture. You men, some of you, come from other sections of the country where there is very much manufacturing. We have some manufacturing also, but the great underlying industry is agriculture, and when that goes we all go, and when that slacks we are in the dumps. As I cross the continent and pass through those congested districts, and think of the millions of men laboring, who consume the products of our farms, and as I see the smoke stack belching out smoke and the fires illuminating the night, I say,

"What a wonderful thing this is," and I begin to think that if for any considerable time old Mother Earth failed to respond to the touch, the smokestacks would be smokeless and the fires banked. So I say the welfare of this country depends in the final analysis on the welfare of the agricultural interests of the country, and you grain men handling this great product, feeling your responsible position in the nation's life, fill one of the most important positions a man can fill.

I have little sympathy with the criticism of the middleman. If it wasn't for you fellows who take up the slack and carry it, where would we be, and what would become of the immense crops raised in Kansas? Mr. Governor, Kansas sometimes raises about 200,000,000 bushels of wheat, one-fourth of the wheat raised in the United States. But I mustn't start bragging on Kansas.

No country is greater than its financial system. I just spent a week in Canada. I was in Quebec, and I called on the manager of one of those great branch

banks. We all started on the Atlantic Coast a good while ago, but the oldest place I know of is Quebec, where they haven't learned to talk the English language yet. They print the menus in both French and English, and the labels in the moving picture shows are in both tongues, and there is more applause on the French side. I said to this man, "This Dominion is a wonderful place. Let's go back to the time Wolf Licked Montcalm on the Plains of Abraham, and shortly after that came our Declaration of Independence, and then the establishment of the United States of America. We have been able to accumulate 114,000,000 people, and you have accumulated 9,000,000. What about that? You have 11 banks; you used to have 60 but now it is 11"—and I was confidentially told they had only eight, the other three being controlled by the bigger banks. I asked how they dispensed credit. I do not believe we want to surrender our individual banking system for a system patterned after the Canadian plan. With our 27,000 banks that dispense credit, backed by the facilities furnished the banking system both state and national and the Federal Reserve banks, we have the better plan. They sit in a swivel chair in Montreal and say what a farmer in Alberta can have. I said, "Do you loan them on chattels?" He said, "No, if a man can't furnish a satisfactory financial credit statement, we don't give him any money." I said "We couldn't have settled our great Southwest on that basis." I believe in our system of finance, where the men who organize these little banks live in the community, and where the capital is raised, and where they have the welfare of that community at stake.



C. L. FONTAINE, JR., KANSAS CITY, MO.

There has been some talk that the farmers and agricultural interests did not get their just share of credit during the stress. Every year since the Federal Reserve Bank at Kansas City was established, over 70 per cent of the credits of the bank have been extended to the agricultural classes. We gave too much credit because the member banks extended them too much credit. The farmers and the farming interests have been well taken care of, and the law loans to the welfare of the farmer. We can take a farmer's rediscount note for nine months; we cannot take the best piece of business paper in Kansas City for more than 90 days. The law recognizes the turn-over of the farmer is slower.

I believe we have the best banking system the world has ever seen. It is a wonderful improvement over the old banking system with its frozen bonds. Now it ebbs and flows like the tide. The Federal Reserve Bank at Kansas City tonight could extend \$120,000,000 of credit for the welfare of this eleventh district, if called upon to do so. We have the best banking system in the world, and the best country in the world, with all its shortcomings, with all the things done that we wish were not done, yet it is the best country on which God's sun shines today. And in my judgment it is the only country in the world that can hold the beacon aloft and guide the trembling nations of the world back to a normal condition of Christian civilization. I thank you.

The Toastmaster: I am glad we have occupying the position of Governor of the Eleventh Reserve Dis-

ADDRESS OF SENATOR REED

MR. TOASTMASTER, ladies and gentlemen: My occupation for several weeks has fitted me for anything but rhapsodies or bunk. I came here tonight primarily because the grain men of Kansas City asked me to come, and because I have never failed to respond to a demand by my friends, but I am too tired with the work I have had in hand to undertake a speech, and I haven't planned any modern poetry to repeat to you. What I have to say will represent the fag ends of what was once a splendid intellect that is worn out and tired. I have been a little amused tonight. I wonder why it is, in the mutation of time, that a Kansas prohibitionist should now go to Canada to spend his summer vacation. And particularly why he should choose as the place of his sojourn that spot where they speak the French language and haven't learned modern reform methods.

Let me say a word to these guests of our city from abroad. There are no longer state lines. I question whether they should ever have been established except merely for governmental reasons. I have heard men boast of their states and of their cities, and I never have heard it in the last 25 years when I haven't thought of a little experience I had myself. Once I was Mayor of Kansas City, and as evidence of the greatness and vigor of this town, I mention the fact that it survived the ordeal. It was my duty to welcome everybody and everything and they were going to have a national cattlemen's convention here, and I suppose because some one thought I wouldn't know just how to welcome them, they sent me the proceedings of the last preceding convention in Chicago. Mayor Harrison couldn't appear to welcome them, so he sent his secretary, and this blooming young ass made a speech to the cattlemen. He told them about Chicago, what wonderful buildings it had, and how they ran up until, standing on their roofs, one could kiss the very stars. And what a marvellous metropolis it was. Then he dwelt upon the packing houses and told what wonderful creations they were, until one would have imagined that the sole mission of every calf born on the Texas plains was to some day reach Chicago and have the pleasure of dying there. After this eulogy upon Chicago they called upon a Texan to respond, and this long-haired gentleman got up and said, "You know I have been here in Chicago for four or five days, and I know these buildings are pretty high. But the particular thing I have noticed about Chicago is that the men all take their hats off in the elevators but they all keep their seats in the street cars when the ladies get on." So I conclude, after all is said and done, there isn't very much in bragging about your own state or your own town. When I traveled over this country somewhat, when I had a client to pay my fare somewhere on business, going from east to west and north to south, but more particularly when our country was in difficulty, and when we sounded the alarm and called the men and women of the land to rally to the standard of the United States, I made up my mind there was no North, no South, no East, and no West, but that whenever you scratched the white skin of an American citizen, the rich red blood of patriotism responded. Just American citizens, not Kansans, or Missourians, not Oklahomans, not New Englanders and not Westerners, but kith and kin, all united with the same bonds of love of country, of home, of church, of school and of civilization.

So tonight I do not address you as strangers or foreigners, but as members of this great American family in which we are all proud to count ourselves as members.

I have been a little amused tonight by the constant eulogy upon the farmer. The farmer, God bless him. I was raised on a farm myself, and I had sense enough to get away from there just as soon as I could. But when in a grain men's convention I find them spending most of their time in eulogium on the farmer, I am reminded of the Board of Directors of the financial institution that set on Christmas to wind up the affairs of the business for the year. It had been very prosperous, and one of them said, "We have had a very prosperous year; we ought to do something for the poor." And of the others said, "Yes, I move now that we give three cheers for the poor."

But, coldly speaking, the truth of the whole thing has been expressed here tonight. In the swing of

the pendulum of commerce and business, he who hasn't taken into account changes that may come will inevitably encounter disaster. The law of supply and demand does work, except—except when the Congress intervenes and combinations back up Congress. I think it is time for a little plain talking. When this war was on, when prices were bounding everywhere throughout the world, when not only the exigencies of the hour forced prices up, but when the speculative element entered into every market, we did something to the farmer in this country that we didn't do to anybody else. We imported from England a gentleman who had left this country 25 years ago at the age of 21 or 22. We turned over to that gentleman the management of the markets of America so far as farm products were concerned. We didn't do it by law. We gave him no right and no other human being the right to ever fix the price of a grain of wheat or a kernel of corn. But we did give this gentleman the right to say who could engage in the grain trade, and who could engage in the milling trade and in the wholesale business, and we gave him the right to issue licenses to engage in business. And he exercised that right, as every grain dealer knows, licensed the grain dealer and told him he could run his business or he could not. And this gentleman imported from England told the grain dealers of America how much they should pay for wheat and corn and oats and rye and barley and everything else of a grain character produced. He told the miller that he must buy from the grain dealer, and he fixed the differential between what the grain dealer paid and what the miller paid. And he told the grain dealer if he didn't obey his mandate, he would revoke his license, and he told the miller the same thing. And so he fixed, arbitrarily and without authority of law, and by the abuse of a power granted to him for an entirely different purpose, the price upon every bushel of grain raised in the United States. And then there was no place left for the grain dealer to sell his grain or for the farmer to sell his grain except in the foreign market, and under another law of Congress, passed for the purpose of keeping our country from being stripped of its grain and food products, and providing that none should be shipped out except as authorized by the President, they organized the foreign grain exchange—What was it called? Some of you know. (Member: Grain Export Company). Yes, and upon that there sat the representative of England along with the Americans, and they fixed the same price for export grain that was fixed for grain in the domestic market. So that by these two combinations the farmer was not allowed to charge the price that war fixed on his products, but was compelled to accept the price fixed by these two creatures of Herbert Hoover. So he sold his grain throughout the war at a reduced and fixed price, and was compelled to buy everything he con-



E. D. BIGELOW, ASSISTANT TO PRESIDENT GAMAGE

sumed at war prices, and the grain he sold for two dollars in the United States, speaking in round numbers, was resold by Great Britain at \$4 and \$4.50 a bushel. That is what is the matter with the American farmer. During the war he was compelled to pay war prices, and was compelled to sell at Hoover prices, and Hoover's prices were Great Britain's prices, and it is time to tell the truth about this matter.

When the war was over, what happened? You are crying about the farmer: Let us talk plain common sense. When the war was over the farmer who had been compelled to pay these excessive war prices and sell at a regulated price, found himself confronted, and the merchant found himself confronted with the probability that, the war being over, prices would suddenly slump. What did the merchant do? I don't intend to make this a very serious discussion; it has been altogether too serious this evening. My friends, the Governor can't be anything else but serious; no man born in Kansas can help being serious; he al-

ways takes himself seriously. The great manufacturers of our country long ago adopted a system of not manufacturing goods until the goods were ordered. I am speaking broadly; this is the general rule. These concerns had their orders taken in advance, and as these orders taken in advance were taken at a certain price, the retailer had to maintain that price; because he bought at a certain price, he had to sell at that price plus a certain profit. That tended to keep up the price of everything the farmer had to buy. On top of that came another thing, and you may like it and you may dislike it. You may be Republican and you may be Democratic, and you may be Bob LaFollette, I don't know and I don't care. The only fun I get out of this life is to say what I think. But I sat on the Finance Committee of the Senate, and I saw the representatives of the great manufacturers come before that committee and assert, "We won this election, and we are entitled to have the fruits of our winnings, and we demand now that the tariff be put upon the goods shipped into this country high enough so that these miserable Germans and these pauper French and English cannot come in and undersell us. I saw them demand 10, 20, 40, 100, 500 per cent of tariff upon goods being shipped into this country, and they got pretty nearly everything they asked.

You found this situation: Contracts made in advance with the merchant, who in turn had to sell to the farmer and sell to everybody else—and the farmer isn't any worse off than some of the rest of us—made a year in advance at a certain level of prices, and therefore the merchant was bound to sell at the prices or go bankrupt; and in order to back that up an embargo was placed upon the shipment of foreign goods into this country, so that those prices could be maintained. That was done, and the American farmers' prices continued to remain at the same high level substantially they were during the war.

What happened to Mister Farmer when he came to sell his surplus products? He had to sell them in Europe. Upon what market? Upon the broken market of Europe. Sell them to Germany where their money had gone down until they couldn't run printing presses fast enough to print it; sell it to France where the franc had gone down to one-fifth or one-sixth of its value. Sell it in England where the pound sterling had gone to a discount. Sell it to the impoverished pauperized people at pauperized prices. The farmer had to buy at high prices and sell at the lowest possible prices. That is all that is the matter with the farmer, and that is all that has been the matter with him.

What is the remedy of the farmers? Not a lot of wildcat legislation. You can't make a bankrupt of a man by the methods I have spoken of, and then remedy it by passing a statute, any more than you can promote universal peace or good will by passing a resolution at Versailles or some other place. The farmer has to work his way out. If you want to benefit the farmer, there are two ways to do it. One is to give him the same market to buy in that he sells in, and the other is to give him a decent chance to get to that market; and the best way to give him a chance to get to that market is to give him cheaper freight rates, and I do not believe the railroads, at the present prices of coal and labor, can give him very much relief without going bankrupt themselves. But one thing we can do, and one thing that Congress ought to do, and one thing President Coolidge ought to do, is to improve the water highways of this country, so that we can haul a bushel of wheat from Kansas City to the Gulf of Mexico for 10 cents a bushel less than it can be hauled by the railroads, and the farmers will get that 10 cents. There is a lot of bunk going on in this world just now, and some of it originates in the city of Washington, a good deal of it. We hear a good deal about economy and about saving money. We put a boat line on the Mississippi River during the war as a war measure. It never got into operation until the war was over. It has struggled against every conceivable adversity, it has confronted every conceivable disadvantage, and yet last year on the Mississippi River, after they deducted the losses on the Warrior River, they made a quarter of a million dollars, and they hauled grain and everything else the people wanted at 80 per cent of the regular tariff rates on the railroads, and saved the people of this country practically the entire cost of the boat lines upon these rivers. I am no enemy of railroads. I do not want to destroy them or misuse them. I say that any man who is President, or any cabinet, or any congress of any party, that says it is not economy to improve these rivers when we can save the entire cost of the improvement in two years' time to the shippers of the country, that administration is not fit to preside over the people of the United States of America. I am not saying anybody has done it, but I am going to wait with some impatience to see whether they continue to do it.

This is not a partisan question; it has been indulged by every administration, Democratic and Republican that has tried to establish a reputation for economy, and has failed to recognize the fact that a man who puts a shingle on the roof and stops the house leaking so it won't destroy the household goods, is not an economist but a fool, and as long as we fail to recognize that principle we will have a lot of fake econ-

omists in this country trying to run for a second or third turn upon the proposition that they have saved a penny at the spigot and have wasted at the bung-hole.

My Christian friends—I will apply that even in the Grain Dealers National Association—it is a very broad term—there is only one way to benefit the farmers of America, and when you benefit the farmer you benefit the consumer, and that is to improve the highways so that the farmer can get his stuff to the consumer cheaper, and the best way I know of to do it is to put some boats on these rivers that God Almighty prepared for us and that we ought to have been navigating many years ago.

I do not intend to give a eulogy of Missouri. It is a part of the United States of America. It is divided from the rest of the country by the red lines of a map. I am sure I haven't anything to say in eulogy of Kansas. It has been made largely by the Kaw River. But after all, our charity is broad, and our philosophy reaches to every phase of life, and so we embrace Kansas. But what nonsense it is to talk of Kansans or Missourians, or Oklahomans or Nebraskans, or of the men of Massachusetts, or of the men of New England or of New York or of any other state of this Union. I leave off as I began by saying we are all members of one great family; we are all citizens of one great country. When this war came on there was no state, no county, no municipalities; there was one great people. Nothing ever made me love my country more than the fact that those we had differed with in the halls of Congress and elsewhere now know no difference, but every heart and soul was united for one common purpose, the defense of our common country.

I am glad to have you gentlemen here tonight. I am glad to be one of the citizens of Kansas City who has the pleasure of welcoming you. I am glad



WALLACE M. NEIL, KANSAS CITY, MO.

to know that the grain trade has reformed; I don't know how it has reformed, but I have been told tonight it has reformed. This country of course, this old country of ours has prospered and progressed, not because of government but in spite of it. If you will turn the American people loose, if you will let each man employ his own brains, and each woman her own brain and her own heart, if you will let the churches and the schools perform their work, if you will let each individual solve the economic problems that are before him, and if the government will keep its hands off, this great people will progress and advance indefinitely. The business of a free government is not to tell the individual how he shall live, not to tell the free citizen how he shall be born and die and exist during life. That is his business and not the business of government. The sole business of a free government is to protect that citizen in his life and property and in his liberty, and when the government has gone to that extent it has reached the limit and boundary of legitimate human government. It has no right to tell my friend Crowell what he shall eat at his table, or what he shall drink in his home; it has no right to tell my friend, the Governor from Kansas what clothing he shall wear or what style of headgear shall adorn his noble brow. That is his business. It has no right to say how a business man shall conduct his business, unless he conducts his business as a pirate takes his expeditions on the sea, destroying other legitimate business. The object of government always and everywhere is simply to protect the citizen in his natural rights, and in so far as our Government has sought to interfere with the natural rights of the American citizen, it has failed, and let me tell you why it always fails: because the members of Congress that they send down there do not represent the average intelligence of the intelligent American citizen. No body of men can sit in Washington, 300 and over congressmen and 96 senators can ever sit and regulate the affairs

of 114,000,000 men and women, every one of whom is better equipped to manage his own business than is Congress to manage it. How do I know, as I sit down there in the Senate, how to run the grain business in Kansas City? If I went on the Grain Exchange in Kansas City and started to speculate, and didn't have some one to tell me what to do, I would be relieved in five minutes of every dollar I have on earth. They might have a Christian spirit, and not start to do me. If the doctor undertakes to tell the lawyer how he shall conduct his case, and the lawyer would follow the advice, his client would come to disaster. If the doctor took the advice of the lawyer as to what physic to administer to his patients, the hospitals would be filled with the sick and the graveyards filled with the dead. If a man unacquainted with business goes to Congress and undertakes to legislate for the business of the country, it simply produces chaos in this country and that is all there is to it.

They appointed a college professor, an educated jackass, to run the coal business of this country during the war. I ought not to have said that; I will withdraw the term. I have great respect for the jackass. He found fellows shipping coal from Illinois clear to Missouri, when there were coal mines in Missouri; he found them shipping it from West Virginia across Ohio and Pennsylvania, where there are coal mines, up into the Northwest. "I will stop all that," he said, "and I will make zones, and no one shall ship coal outside of these zones," and so he made that rule. Then he found out that the coal that was coming to Kansas from Illinois, and to Missouri, was of a sort that could not be produced in Missouri, and had been shipped here because it was a necessity; he found that the coal being sent to the Northwest was a kind of coal they had to have there that they could not get from certain other parts of the country. Finally he got through shipping, and he had shipped millions of tons to the Northwest where it lay and was actually consumed by spontaneous combustion, and they didn't have enough coal in New York City to bunker the ships, so the ships could haul the provisions of the country and its products to Europe. Finally, having the railroads banked up so for a hundred miles out of New York they couldn't move cars, he said "We have so many cars loaded we cannot get them out." He never thought at all of sending the coal down to the ships so the ships could load and get out of port, so he said every one must stop manufacturing everything north of the Ohio River and east of the Mississippi, and they stopped all the factories for three weeks, although they might run even by water. And when we asked him why, he said it wasn't fair for a fellow who had coal to run his mill when some one else was out of coal and couldn't run his.

That is not said in harsh criticism, because during the war we did many foolish things, but it is to illustrate the fact that when an economic system develops itself naturally, and a system has grown up just as the arteries and the veins and the capillaries of the human body have developed as the child has developed, and that has all grown up naturally, and some fool comes along and says "God Almighty didn't make that body right, and I am going to run the blood direct to some point," you have trouble.

If you let the American people alone, the fellow in Kansas City, Cleveland, Ohio, New York, Chicago, Oklahoma, any place will sit down and work out their problems, and you don't need a lot of legislation at Washington to regulate their business. You don't need a lot of legislation at Washington to regulate their business. You don't need any regulation of the great business of the country.

What made the grain business of this country? I don't say you are all saints. If I had the temerity to say that in your absence, God knows I wouldn't say it in your presence; looking at you as I do, I would not have nerve enough to say that. But I do say the great businesses of the country are a natural development, and that when you get some half-baked lawyer, some clientless gentlemen down there in Washington, or some buccaneer who has broken into public life because he cannot make a living in private life, or some great patriot like myself, who goes down there to try to save the country, and realizes that he can't do it, you can't get any crowd in Washington that can run this country and its business as well as the men who built that business from the ground floor up, who serve it with their energies through their life, and who knows that if they fail the result of that failure falls on them, and that if they succeed the guerdon and the reward is theirs. So I say we want less legislation in this country, and let the people of the United States work out the problem of their own salvation, and they will work it out.

When the government kept its hands off in the early days, when we had no paternalism at all, when there was nothing but a fringe of frontiersmen over there on the Atlantic Coast when the Revolutionary War was over, when the great unexplored forest lay before them, music, the grandest music that ever gave its voice to the advance of humanity was the axes hewing down the forest, was the hammers building new habitations and new cities, the music of industry, the enterprise of men, that finally spanned this continent, bound together the eastern and western coasts, that made us one people, that caused cities to spring up

as by magic, and as they sprang forth to lift their spires and minarets toward the skies; build churches and schools upon every hilltop and in every valley, and created millions of homes, the smoke of which arose each morning to meet the skies, firesides where husband, wife and child have gathered to consecrate themselves to the great tasks of life, that has been the march of our civilization. It was not accomplished by government. It was accomplished by the genius and by the soul of the American people. Let the government protect them in their rights, and the American people will solve all the problems of the present and will solve all the obligations of the future.

The Toastmaster: The fearlessness, ladies and gentlemen, the genius, the ability of the last speaker, appeal to me greatly, but in as much as I was particeps criminis with Herbert Hoover in carrying on what he condemns, and inasmuch as I admire Herbert Hoover as much as any man in the United States, I am sorry that my friend, Senator Reed, and myself disagree.

Adjournment.

Wednesday Morning Session

The convention was called to order by President Horner at 10 o'clock a. m.

The President: A great many influences have been at work towards the better understanding or perhaps lack of misunderstanding of the public attitude toward the railroads. But there has been nothing more potent in that campaign of education than the *Railway Age*, and no one has taken a more active or more effective part than the editor of that publication, Samuel O. Dunn, who will now speak to us.

ADDRESS OF SAMUEL O. DUNN

THE freight service now being rendered by the railways is, measured by every standard, the best that ever was given to the shippers of the United States and the public is having submitted to it, in a way that cannot be evaded, the extremely important question of whether or not it appreciates the value of good and adequate transportation service enough to be willing to pay enough for it to enable the railways to continue to render it.

The most important essentials of good freight service are that all the freight car shippers need shall be furnished to them promptly; that after freight has been loaded it shall be moved without delays to destination; and that it shall be handled with the least practicable loss and damage. Let us apply each of these standards to the freight service now being rendered.

Although the number of carloads of freight handled by the railways within the last two years, and being handled by them now, exceeds all previous records, the "car shortages" which in former years caused shippers so much trouble and loss, have, for the present at least, been abolished. There are 2,500,000 freight cars, and the task of constantly distributing them over all the railway lines and among all the communities of the country in order to meet the requirements of shippers is a gigantic one. Nevertheless, in the first eight months of this year, when the average number of cars loaded with freight daily was 138,634, the railways on the average furnished to the shippers on each day 99.9 per cent of all the cars for which they had asked. Did any other industry come so close to filling daily 100 per cent of the orders received by it from all its customers?

The average freight car actually used in carrying freight was, on each day, in the first half of 1925 moved $6\frac{1}{2}$ per cent more miles than in the first half of 1924; 23 per cent more miles than in the first half of 1923, and 50 per cent more miles than in the first half of 1920. It is estimated that at any given time the freight in transit on our railways has a value of at least two billion dollars. The reduction since 1920 in the average length of time that freight is in transit has reduced by at least one-third the interest on the investment in it while in transit, and, computing this interest at 6 per cent, is effecting a saving to the shippers of at least \$40,000,000 annually.

This saving, however, is small compared with the saving in the investment in stocks on hand carried by business concerns of all kinds which the increased speed and reliability of transportation has made possible. Charles S. Keith of Kansas City, formerly president of the Southern Yellow Pine Association, and one of the leading business men of the Southwest, has estimated that improved railroad service has resulted in a reduction of \$600,000,000 in the stocks carried by the lumber industry alone, and a reduction of at least \$3,500,000,000, and perhaps of as much as \$7,000,000,000, in the inventories carried by all the business interests of the country. If we accept the smaller figure and compute annual interest on it at 6 per cent we reach the conclusion that the annual saving in interest on the inventories carried by American business due to improved transportation is at least \$210,000,000 annually, while if we take the maximum figure, the saving amounts to \$420,000,000 annually. Here, then, we have a saving in annual interest on freight in transit and in stocks carried on hand by the business interests of the country

of from \$250,000,000 to \$460,000,000 annually which is attributable to improved railroad service.

And what has been the saving effected by reduction of loss and damage of freight owing to improved service? In 1924 loss and damage of freight was \$88,000,000 less than in 1920. Furthermore, because of economies in operation the railways have effected they have thus far been able to stand reductions in freight rates, since they reached their peak in 1920, amounting to about \$650,000,000 annually.

How have these great achievements of the railways, in the interest of the shipping public, been accomplished? The railways were returned to private operation in 1920 under the Transportation Act which provided that they must be efficiently and economically operated and, that if they were thus managed the Interstate Commerce Commission should so adjust their rates as to enable each group of roads to earn a fair return upon the value of their property which the commission held would be 5% per cent. Never, since the railways were returned to private operation, have they in any year earned this very modest return. Their managers, however, accepted this legislation in good faith and joined in a concerted and strenuous effort to raise and invest capital, and to make improvements in operation rendered possible by this investment, for the purpose of demonstrating conclusively to the public the superiority of private over government management and the moral and legal right of the railways to be allowed to earn at least what the commission held would be a fair return.

The railways as a whole are now earning a larger net return than at any time since prior to the war. The western roads, however, have fallen far short and are still falling far short of earning a fair



SAMUEL O. DUNN

return, and they have, therefore, petitioned the Interstate Commerce Commission to grant them a 5 per cent advance in rates to give them a chance to earn the return to which the commission, in accordance with the provisions of the Transportation Act, has said they are entitled.

The large amount of new capital that the railways have raised has been secured almost entirely by increasing their indebtedness, and its investment has not been warranted by the net returns earned by them during the last five years. It has been invested in the expectation that when business conditions became normal the commission would permit them to earn a fair return and the public would support the Commission in doing so.

Freight business is increasing and within the next five years will increase much more than it has within the last five years. It will be absolutely impossible for the railways to continue to furnish the present good service unless they are able to continue to raise and invest large amounts of new capital for the enlargement and improvement of their properties. It is as certain as anything can be that they will not be able to raise the capital required unless they are allowed, for years to come, to earn at least as much net return as the commission has held they are entitled to. In the long run what they will be allowed to earn will depend upon regulation and that will be determined by public sentiment.

What, then, is going to be the attitude toward railway regulation of farmers and other business men? Are the business interests going to demand a continuance of good railroad service, and the kind of regulation necessary to make it possible and certain, or are they going to demand or even permit regulation such as the country had for years before the war, and which resulted in almost stopping the development of the railways, in chronic car shortages, and finally cause the adoption during the war of Government operation?

This is a question that cannot be evaded by the farmers and other business interests, and they have no more important question confronting them.

The President: The necessity for the spirit of fairness toward the railroads I know strikes a responsive chord in this meeting of today. And we thank Mr. Dunn for his presentation of this matter to us.

The United States Department of Agriculture has been making a very earnest effort to obtain an amicable and workable understanding with the grain trade in regard to the administration of the Pure Food and Drug Act and the Grain Standards Act. We have with us this morning H. J. Besley, in charge of the Grain Division, Bureau of Agricultural Economics of the Department, and he will be glad to explain in detail the position of his Department on this subject. I have the pleasure of introducing Mr. H. J. Besley.

HARMONIZING THE FOOD AND DRUGS ACT AND THE GRAIN STANDARDS ACT

THE Department of Agriculture is on your program today to tell you of its plans for harmonizing the United States Food and Drugs Act and the United States Grain Standards Act. Our Department appreciates very much this opportunity, and I take occasion to thank your officers, Mr. Horner as president and Mr. Quinn as secretary, for your courtesy and thoughtfulness in extending the Department invitation to be here.

The Department of Agriculture is charged with the administration of 34 Federal statutes. Among them are three which have a very direct bearing on the grain industry, especially upon the marketing phases of the grain industry. They are the United States Grain Futures Act, which was to have been given to you yesterday by Mr. Fitz of our Department, the United States Food and Drugs Act and the United States Grain Standards Act. The Grain Futures Act has to do, of course, with future trading. The Food and Drugs Act and the grain standards Act have to do with cash grain transactions.

The Department of Agriculture is a large institution. It is divided into several branches known as bureaus. The Food and Drugs Act is administered by the Bureau of Chemistry. Administration of this law was vested in the Bureau of Chemistry by the Congress when it enacted the legislation. The Grain Futures Act is administered directly under the office of the Secretary of Agriculture. The Grain Standards Act is administered by the Bureau of Agricultural Economics, which I represent here today.

It has been the contention for some time past on the part of certain branches of the grain trade at least, that inconsistency existed in the application of the Food and Drugs Act and the Grain Standards Act in that grain properly inspected and certified under the Grain Standards Act might under certain conditions be subject to seizure and the shipper thereof subject to fine under the Food and Drugs Act. It is this so-called conflict which the Department desires to harmonize. Before I tell you of our plans in this direction, however, let me refresh your memory by briefly referring historically to the Food and Drugs Act and the Grain Standards Act.

The Food and Drugs Act became a law in 1906. Its primary purpose was not to regulate traffic in grain; it was a measure drawn to deal with interstate shipments of drugs and food products, largely manufactured food products to be consumed by man. Nevertheless, grain in its raw state does come within this statute by reason of the following provisions of the law:

First. The Food and Drugs Act defines food as "All articles used for food, drink, confectionery, or condiment by man or other animals, whether simple, mixed or compound."

Second. The law provides that an article shall be deemed to be adulterated in the case of food "If any substance has been mixed and packed with it so as to reduce or lower or injuriously affect its quality or strength, or if any substance has been substituted wholly or in part for an article."

Third. In the case of food the law provides against misbranding if an article be offered for sale under the distinctive name of another article. So we have prohibitions under this law against "adulteration" and "misbranding" which apply to grain as well as to drugs and food for humans. The Food and Drugs Act is essentially a regulatory measure designed primarily to protect the buying public against adulterated and misbranded drugs and foods and its operation and administration in the eyes of the Department is considered regulatory work.

On the other hand, the Grain Standards Act deals specifically with grain and grain alone. It is essentially a service statute, not regulatory. By this I mean that the law was not designed to regulate traffic in grain. Its chief function is to facilitate grain transactions, especially interstate and foreign transactions where the parties to a given transaction are at distant points and do not have the goods on hand between them for barter. The Grain Standards Act became a law in 1916. Its primary purpose was the establishment of a single uniform set of standards for grain by the Federal Government and Government supervision over the application of such standards through a system of licensing inspectors who use them. A secondary although important feature of the Grain Standards Act is the privilege granted to any interested party to an interstate or foreign commerce transaction to appeal from grades assigned

by licensed inspectors to the Government for determination of the true grade of any given lot of grain in accordance with the Government's interpretation of its standards. Thus it is seen that the Grain Standards Act is essentially a service proposition and not regulatory.

The Department of Agriculture has established Federal standards under the Grain Standards Act for shelled corn, wheat, oats, rye, grain sorghums, and most recently, effective September 1, 1925, standards for so-called feed oats and mixed feed oats. Establishment of official standards for feed oats and mixed feed oats is a part of the Department's plan to harmonize the Food and Drugs Act and the Grain Standards Act. I will try to show you how.

The Department established official standards for oats in 1919. These standards provided that oats, in order to officially carry that name, should contain at least 75 per cent of cultivated oats. If a given lot of grain contained less than 75 per cent cultivated oats, it could not be officially graded as oats. The standards for oats had not been in effect long before the Department became aware that its yard stick for oats was far too short to measure or classify all of the grain which moved in interstate and foreign commerce as oats. The Department found that grain comprising all sorts of mixtures of cultivated oats with barley, with so-called mill oats or wild oats, that is screenings removed from wheat, flax, etc., grown in the central northwest Spring wheat states, was moving in interstate and foreign commerce in large volume, containing less than 75 per cent of cultivated oats, and yet this class of goods was being sold and merchandised under the name "oats" in competition with oats as defined by the Federal standards. To be sure these mixtures were sold by trade names or private brands. Nevertheless, they were sold as oats without specification usually as to what proportion of the goods was oats and what proportion was something else. This practice ran afoul of the terms of both the Food and Drugs Act and the Grain Standards Act. It ran against the letter of the Food and Drugs Act with respect to the provisions against "misbranding" and "adulteration" and it ran against the spirit at least, of the Grain Standards Act in that grain not oats within the Federal standards for oats was being merchandised in interstate commerce under the name "oats."

It is the view of the Department that the class of goods comprising mixture of oats with other grain which heretofore did not come within the Federal standards for oats and which ran afoul of the misbranding features of the Food and Drugs Act may now move in interstate commerce properly labeled as "feed oats" or "mixed feed oats" as the case may be in accordance with the provisions of the Grain Standards Act and the Food and Drugs Act.

Violation of the Food and Drugs Act with respect to the adulteration features of that law has obtained in the past principally through two practices on the part of grain shippers: (1) Through the addition of water to grain for the purpose of gaining weight. This has been accomplished mostly through the bleaching of oats, and washing of wheat for smut, but sometimes otherwise, and (2) the deliberate addition of trash or distinctly inferior substances to good clean grain. Both of these practices constitute violation of the Food and Drugs Act and are practices which the Department cannot tolerate consistently with its responsibility for proper enforcement of law. Moreover, it is the opinion of the Department that such practices should not be condoned by the organized grain trade for the reason that, in addition to being contrary to Federal law, they constitute unfair trade practices and are unethical and inimical to good business.

This brings me to the theme of the Department's plan for harmonizing the two laws which will be of most interest to you. As I have stated before, the Food and Drugs Act is a regulatory measure, the Grain Standards Act a service statute designed specifically to render service to the grain industry. We propose to render a service to the grain trade under the Grain Standards Act through the machinery of Federal grain supervision offices set up in various markets throughout the United States by way of doing all we can through co-operation with the grain trade to keep the trade from violating the provisions of the Food and Drugs Act. To do this successfully we need the co-operation of organized trade bodies.

In July this year Assistant Secretary of Agriculture Dunlap communicated with officers of the Grain Dealers National Association, the Grain Shippers Association and the Terminal Elevator Grain Merchants Association, asking for a conference with representatives of these associations at Chicago. A conference was held at Chicago, July 28. Elmer Hutchinson of Indiana represented, and very ably in our judgment, the Grain Dealers National Association. The purpose of this conference was to enable the Department to lay before these nationally recognized grain trade organizations, its plan for harmonizing the two laws in question and to secure the organized trade's endorsement of the plan if they saw fit to give it. The Department's proposal for endorsement by the trade bodies was incorporated in the form of a "Memorandum of Conference," which I will shortly read to you. Before reading it let me picture to you briefly the Department's thought which lies back of its proposal. The big thing which the Department

hopes to accomplish through a carrying out of its proposal is compliance with Federal law which prohibits adulteration of grain moving in interstate or foreign commerce. By adulteration of grain I mean the addition of water to grain for the purpose of gaining weight and the addition to good clean grain of distinctly inferior substance. The Department is convinced that through proper co-operation with organized trade bodies it can in a large measure prevent violation of this law on the part of individual trade members and firms. The Department believes in the old adage "An ounce of prevention is worth a pound of cure." The Department maintains service through its organization of Federal Grain Supervision under the Grain Standards Act at 37 terminal markets in the United States. Its machinery in these markets is in constant daily touch with grain movements and local practices pursuant to its every-day service work. Through this machinery the Department is in position to know practices on the part of terminal shippers which if continued without restraint would doubtless lead to "adulteration" under the Food and Drugs Act. The Department wants the privilege when cases of this kind arise of going directly to the shipper involved through our service machinery of Federal Grain Supervision, laying the situation before him and counseling him against the practice. And why does the Department solicit trade approval of this procedure? For two reasons: First, the Department desires to be distinctly of record that it is not working along lines of more Government in business. The policy which we are proposing is exactly the antithesis of this. I say so because, to illustrate let me hark back to the case cited a month ago. We believe that in nine cases out of ten the shipper if properly approached by the Department's representative of Federal Grain Supervision would mend his practice so as not to run afoul of Federal law. If he did not see fit to do so, however, the Department desires the privilege of referring the matter to the organized trade body of which the shipper is a member, preferably his local grain exchange, in order that such trade body may, through exercise of its own powers, disciplinary if necessary, bring about the desired result. Second, the Department believes that the practices on the part of terminal market shippers which approach or constitute adulteration under the Food and Drugs Act, I refer to the addition of water to grain for the purpose of gaining weight and to the addition to good clean grain of distinctly inferior substance, likewise approach or constitute unfair trade practices and that they are in the eyes of the organized trade generally considered unethical.

With your permission I will read you the "Memorandum of Conference" referred to. It is dated Chicago, July 28, 1925, and sets forth specifically the Department's proposal for co-operation with organized grain trade bodies looking toward harmonizing the Food and Drugs Act and the Grain Standards Act.

Memorandum of Conference Between Representatives of Grain Trade Organizations and Members of the United States Department of Agriculture.

Control of certain phases of trade activities incident to the interstate marketing of grain accrues to the United States Department of Agriculture through the medium of the Grain Standards and Food and Drugs Acts. These statutes are respectively essentially service and regulatory in character. Having different ends to attain, their provisions obviously are unlike, but not repugnant. It is the purpose of the Department to enforce these laws by the adoption of a policy of administration through which the terms of both statutes will be reconciled and the industry thereby relieved of a burden of attempting otherwise to observe apparently contradictory and conflicting exactions. The function of a service statute primarily is to unify or standardize merchandising; that of a regulatory statute to suppress abusive practices. The fundamental idea of both is correction.

The Department specifically disavows an intent to forego a proper and diligent enforcement of these laws. It declines in any manner to attempt to divest itself of its responsibility and recognizes as its exclusive obligation the enforcement of them to the full measure of their requirement. But believing that a program of prevention is the most effective means of correction, the Department most heartily will support any effort by which the attainment of this object is considered practicable.

It will encourage in every way that it with propriety can, any attempt by the industry through its trade organizations so to control the practices of their membership that infractions of these laws will be avoided. With this in mind, the Department of Agriculture by its representatives at this conference commits itself to a plan of co-operation with designated grain organizations whereby a more universal observation of the requirements of the Grain Standards Act and the Food and Drugs Act will be established.

The subscribing grain trade organizations are convinced that by their existence and through an exercise of their conventional functions the collective welfare and integrity of their membership is promoted. These organizations are committed to the use of their influence and disciplinary power to the establishment and maintenance of trade practices which are legal and honest. It is their purpose reciprocally to approve and support a co-operative arrangement with the U. S. Department of Agriculture to the end that as a general proposition all requirements of the Grain Standards and Food and Drugs Act be met, and that as a specific proposal the following practices recognized as abuses be stopped:

- (a) Addition of water to grain for the purpose of gaining weight.
- (b) Addition of trash or distinctly inferior substance.

Chicago, July 28, 1925.

Following the conference at Chicago a report of the proceedings there was made to the Secretary of Agriculture which prompted Secretary Jardine to

issue instructions to the effect that the Memorandum of Conference prepared at Chicago be put before the individual grain exchanges of the country. With your permission I should like to quote in part from the Secretary's instructions to this effect as follows:

I am pleased with the report of the conference held with representatives of the Grain Dealers National Association, the Terminal Elevator Grain Merchants Association and the Grain Shippers Association at Chicago on July 28, concerning a plan of co-operation by which the Food and Drugs Act and the Grain Standards Act as they relate to existing practices in the interstate shipment of grain can be effectively enforced with a minimum of trade disturbance and misunderstanding.

I understand that the attached memorandum of the conference was approved and endorsed by the Grain Shippers Association, through the signature of its delegates and that while the representatives of the Grain Dealers National Association and the Terminal Elevator Grain Merchants Association were not clothed with power to commit these organizations at that time they signified their intent to refer the memorandum to their respective organizations with recommendations for approval.

It is gratifying to note that trade organizations in this instance have given sympathetic consideration to the proposals of the Department. I am convinced that they, through the medium of their own influence and control, can make material contributions toward the establishment universally of trade practices which are wholly unobjectionable under either of these laws. I feel that the policy of the Department which is designed to emphasize the avoidance of a violation of these statutes is sound. Through the co-operation of the industry the enforcement of these statutes can be effected economically in a manner which assures the full protection they were designed to give with the least possible interference with commercial operation. In view of the outcome of the Chicago conference with representatives of these three large grain organizations it occurs to me that steps should be taken to familiarize the individual grain exchanges of the country with this program of the Department and invite them, if they so desire, to commit themselves in a like manner to this proposition. With this in mind I suggest that so soon as practicable you get in touch with the various grain exchanges in whatever way you think desirable. Please advise me in time of the results of this move.

It may not be out of place to state here that the Department has had conference with the 19 principal grain exchanges of the Central West. The Memorandum of Conference referred to was presented to each of the grain exchanges and the Department's policy of procedure under the Memorandum of Conference was fully explained. I am glad to say that all of the 19 grain exchanges have signified their intention of formal endorsement of the Memorandum of Conference and that of the 19, 11 have already returned a copy of the memorandum to the Department with signature of their proper officers as the result of action taken by the respective boards of directors.

Mr. Besley: I can only emphasize one point we have touched on here, namely, that we are endeavoring, in line with the present administration of government, to, using the old stock expression "keep the Government out of business as much as possible." We believe in what Senator Reed very ably said last night, that the grain industry is fully capable of taking care of itself and working out its own problems. We do believe, however, that in connection with these two Federal statutes, which so vitally touch the cash grain transactions throughout the country, that the Department does have a function which it can perform in assisting individual members of the trade from violating the Food and Drugs Act. That is our desire and our intent, and we expect to accomplish it through the co-operation not only of individual shippers, but with the respective exchanges, if the case happens to be such that it needs the attention of the individual exchanges. I should be glad, if I can, to answer any questions you may have to ask.

Mr. Green: I was one who opposed as strongly as I could these changes that have been adopted by the Secretary. A committee of which I was a member went to see Mr. Jardine in April, and went over the entire situation with him. My firm have for years dealt only in oats; we do not believe in these adulterations, and do not believe a lot of this stuff being done is right, but we also believe that the Department is trying to cure through its own organization or officers a situation that has almost become fixed in our trade. I am going to read the memorandum which Mr. Besley brought here, because I happen to be a member of the Ohio Receivers and Shippers Association he referred to, and we at Louisville have agreed to abide by these new rules and the new grades that have been adopted.

Memorandum of Conference between representatives of grain trade organizations and members of the United States Department of Agriculture

Control of certain phases of trade activities incident to the interstate marketing of grain accrues to the United States Department of Agriculture through the medium of the Grain Standards and Food and Drugs Acts. These statutes are respectively essentially service and regulatory in character. Having different ends to attain their provisions obviously are unlike, but not repugnant. It is the purpose of the Department to enforce these laws by the adoption of a policy of administration through which the terms of both statutes will be reconciled and the industry thereby relieved of a burden of attempting otherwise to observe apparently contradictory and conflicting exactions. The function of a service statute primarily is to unify or standardize merchandising; that of a regulatory statute to suppress abusive practices. The fundamental idea of both is correction.

The Department specifically disavows an intent to forego a proper and diligent enforcement of these laws. It declines in any manner to attempt to divest itself of its responsibility and recognizes as its exclusive obligation the enforcement of them to the full

measure of their requirement. But believing that a program of prevention is the most effective means of correction, the Department most heartily will support any effort by which the attainment of this object is considered practicable.

It will encourage in every way, that it with propriety can, any attempt by the industry through its trade organizations so to control the practices of their membership that infractions of these laws will be avoided. With this in mind, the Department of Agriculture by its representatives at this conference commits itself to a plan of co-operation with designated grain organizations whereby a more universal observation of the requirements of the Grain Standards Act and the Food and Drugs Act will be established.

The subscribing grain trade organizations are convinced that by their existence and through an exercise of their conventional functions the collective welfare and integrity of their membership is promoted. These organizations are committed to the use of their influence and disciplinary power to the establishment and maintenance of trade practices which are legal and honest. It is their purpose reciprocally to approve and support a co-operative arrangement with the U. S. Department of Agriculture to the end that as a general proposition all requirements of the Grain Standards and Food and Drugs Act be met, and that as a specific proposal the following practices recognized as abuses be stopped: (a) Addition of water for the purpose of gaining weight; (b) Addition of trash or distinctly inferior substance.—Chicago, July 28, 1925.

I move that we adopt this memorandum.

Mr. Sturtevant: I would like to have the honor and privilege of seconding Mr. Green's motion. In this connection I want to say that I have had the privilege of sitting in with Mr. Besley on some of these conferences, and I believe this action on the part of the Department of Agriculture is ethical. The Department knows and the trade recognizes that certain abuses are taking place. These abuses are without doubt in some cases violations of law, and instead of the Department going to Congress and asking to further restrict our activities, or seeking to punish the offenders, they come to us and say, "Let us sit down to a table and agree upon what is fair and right, and after we have agreed on that, then let us go ahead and enforce the law fairly for all the trade." Those of us who heard Senator Reed last night can draw the connection between this action of the Department and Senator Reed's remarks.

Mr. Wayne: In 1912 we had some trouble in Washington in regard to this Food and Drugs Act, and we may some time in the future have a Dr. Wiley down there again. I believe the Food and Drugs Act was not intended to apply to grain in any way. That is what Secretary of Agriculture Wilson told us at that time. If the Government wanted that law changed, they could have asked for an amendment, and taken out the grain in the Food and Drugs Act, and thereby avoided any controversy later on, if we should happen to have a man like Dr. Wiley in a position to enforce that particular law. I did not know we had had a conference with the Government in regard to the matter.

(Motion carried.)

The President: We will now listen to an address by C. C. Iseley, of Dodge City, Kan.

MR. ISELEY'S ADDRESS

THE decision changing the Chicago Board of Trade rules brings to the close one phase of political action to do so something to make all producers of grain happy. Secretary Jardine's fervent hope that farmers will not seed excessively to wheat, however, presages that other difficulties may be in the offing.

Recent reported expectation to sow wheat excessively, all over the Winter wheat belt has been mitigated somewhat by cold wet weather in most sections, which has delayed seeding and may keep the seeding somewhat below the expected acreage.

There is one region to which this rule will not apply. In the Southwest; that is, eastern Colorado, western Kansas and Oklahoma, northwest Texas and even northeast New Mexico, a region roughly defined as west from the one hundredth meridian, east of the Rockies, north of the cotton belt and south of Spring wheat areas, recently the last stand of the cattlemen is rapidly turning into a vast wheat field. The Santa Fe Railroad, long undisputed pioneer in developing new lands, is met with the desires of the Burlington and the Rock Island, who ask the Interstate Commerce Commission to assign a portion of the new cotton and wheat lands for the benefit of their rails. This year Santa Fe rails from Elkhart, Kan., and Lubbock, Texas, open up new regions. Other lines are permanently surveyed awaiting the Commission's permission to build. Six years of depression made the cattlemen's position untenable. He had to capitulate.

The two additional factors that made wheat a possible successor were the tractor and the combine. The combine, like the header before it, are suitable harvesting implements in regions of short straw, somewhat limited rainfall and dry harvest. A few years ago 80 per cent of all international headers sold in the United States were distributed from Hutchinson, Wichita and Salina.

The farmer, with a boy or two and a combine, can harvest and thresh and haul to market a wheat crop on from 400 to 600 acres and if the yield is 15 bushels, his per bushel harvesting-threshing costs are startlingly low. The costs will vary with the weather during harvest, the yield per acre and the farmers efficiency, but six to eight cents a bushel plus a similar depreciation charge make wheat production extremely attractive over a vast new territory in the Southwest. This year alone, in two small Kansas

counties, the virgin sod going to wheat will exceed 100,000 acres. In the entire territory noted then are probably 1,000,000 acres of sod now set to wheat, and there are easily 10,000,000 more acres that are only wanting a few more permanent settlers to make this region the densest wheat area on the planet, and there will still be plenty of land for the grain sorghums and pasturage. If settlers do not come down farmers are all ready and, in increasing number, will employ the new implements to produce wheat.

Now all this territory has recurrent periods of deficient rainfall. Here is where the tractor comes in. For years the farmers have known the benefits of summer tilling to save moisture. This could not be done with teams. It could not be accomplished soon enough. The 1925 tractor, which is as different from those of 1921 vintage, as a 1926 Packard from an old two-cylinder Buick, makes this transformation possible. The last year was unfavorable, yet a farmer near Elkhart, on a summer tilled field without measurable rainfall from seeding to harvest, reaped seven bushels per acre. Near Dodge City on land in cultivation four years, a summer tilled field with five or six inches of rain after the drill, produced 31 bushels per acre. There are untold similar instances and if eastern farmers do not reduce their higher cost wheat acres to something else the western farmer with costs that can defeat coolie labor, may make him trouble. For 40 years the writer has heard orators portraying the benefits of a wheat tariff and giving assurance that tomorrow our possible wheat production would have reached its limit. We haven't started to reach the limit and this is the first year in history that the wheat tariff has benefited the farmer. We will be again on a world level and the grain trade should take knowledge of the fact; and assure itself



E. M. WAYNE, DELAVAN, ILL.

that the trouble we had in the immediate past was not overproduction but underconsumption and that the cure for underconsumption is world economic and monetary stability with emphasis on monetary. As Frank Simonds so tersely pointed out in his syndicated discussion in last Sunday's newspapers, which every grain man should read, America has a part to play in this problem that cannot be taken till we have a public, especially a grain public, that will concern itself with a problem that influences the income of every farm home in the country.

Mr. Wayne: How many crops of wheat can you raise without rotating?

Mr. Iseley: This 31-bushel yield has been farmed for 41 years, with mighty little rotation in it. If we can get the humus and the moisture, we seem to have the other elements. We do not do much rotating. We will have to learn to do that, of course. Next year we will raise a crop on this land, and the next year will leave it lie fallow. Or we will put in corn two rows apart, which seems better than three rows apart, and then follow that.

The President: We are very much obliged for this address on this subject, with which most of us are not as familiar as we would like to be. The next thing is report of special committee appointed to consider the secretary's report, Mr. Sturtevant, chairman.

Mr. Sturtevant: The first was the matter of arbitration of disputes arising over ingredients going into feeds. With reference to that we make the following recommendation, because the committee, consisting of four grain men and one feed man did not feel competent to recommend to this convention what action should be taken:

(Reads.)

Recommend that the matter of arbitrating controversies concerning ingredients going into manufactured feeds and concerning manufactured feeds be

referred to the Feed Distributors Association for recommendation to the next annual meeting.

I move the adoption of this recommendation. (Seconded by Mr. Green, and carried.)

Mr. Sturtevant: The next recommendation was in regard to the abolition of certain standing committees which under changed conditions have become obsolete. (Reads)

The committee recommends that the Merchant Marine Committee, the International Relations Committee, the Milling and Grain Joint Committee and the Hay and Grain Joint Committee be abolished.

I move the recommendation be adopted. (Seconded by Mr. Riley, and carried.)

Mr. Sturtevant: The next recommendation referred to the situation where a corporation or co-partnership or an individual with headquarters at one point and branch offices at other points, desired to list its company as a member of the Association at all points where it operated. The Committee gave considerable time to this recommendation. We felt we should encourage the listing of branch offices, but at the same time a payment should be made for that. We therefore make the following recommendation:

Recommended that members of the Association having branch offices may list in *Who Is Who in the Grain Trade* each branch office as a member of the Association at a cost of one half the regular membership rate, provided that the listing is under the same name as the parent concern.

I move the adoption of the recommendation.

Mr. Goodrich: Do you recommend that, Secretary Quinn?

The Secretary: Yes, sir.

(Seconded by Mr. Wayne, and carried.)

Mr. Sturtevant: The last proposition concerns itself with the recommendation of the secretary which sought to incorporate in the arbitration contracts a clause which would make the finding of the committee equivalent to a confession of judgment when filed in a court of any state. At present our contract does amount to a confession of judgment in most states, but under the laws of some states we have not that privilege. The committee did not feel itself competent to recommend a definite clause. We thought we should have legal advice as to the exact wording and framing of such a clause. We therefore make the following recommendation:

Recommended that the directors be authorized to incorporate in the arbitration contract, a clause which will provide that the findings of the arbitration appeals committee will be equivalent to a confession of judgment in the courts of all states.

I move the adoption of the recommendation.

(Seconded by Mr. Green, and carried.)

Mr. Riley: In connection with the branch offices or elevators, is this going to operate so that a member will have to bring his branch elevators into the Association and pay on those?

The President: No, if the member desires to be listed in *Who Is Who* at each station at which he operates, then he pays. If he desires to continue being listed only under the home office, there is no change.

Mr. Watkins of the Committee on Resolutions has been compelled to leave, and there is a further report from his committee which I will ask the secretary to read at this time.

The members of the Grain Dealers National Association are now in the closing session of a three-day convention held in Kansas City. The facilities provided for the conduct of the business of the Association were adapted not only to the comfort and convenience of its officers and members but to the quick and efficient transaction of its affairs.

During our stay in Kansas City, the members of the Association have been the recipients of fine courtesies on the part of the city, while the members of the Kansas City Board of Trade, with a fine sense of the obligations of a host, so skillfully have mixed play with our work that the one did not interfere with the other and neither grew irksome. Kansas City as the gateway knows no sections and partakes of the best qualities and traditions of all of them. We have experienced the truth of this statement as its hospitality is as kindly and gracious as the great heart of the Southland and as broad and boundless as the wide-spreading prairies to the North and West.

We should be ungrateful indeed did we not take official recognition of the pleasant lines on which the life of our stay in Kansas City have fallen and we hereby tender to the members of the Kansas City Board of Trade an expression of our heartfelt appreciation of the features of our entertainment, and for the courtesy and consideration of each individual member. To name them to whom we are indebted would be to name them all and we do desire to thank all of them as they turned the promise of President Gamage into actual performance.

We would not forget to remember with gratitude those who have appeared before the various sessions with their contributions of information or entertainment. Especially are we indebted to those outside the grain trade, including the Mayor of the City, the Governor of the State, Governor Bailey of the Kansas City Federal Reserve Bank and Hon. Jas. B. Reed, United States Senator, from Missouri.

Mr. Green: I move the adoption of the resolutions. (Seconded by Mr. MacDonald, and carried.)

The President: There are no further committee reports?

The Secretary: No.

The President: Is there anything under unfinished business?

Mr. Green: I have a matter I wish to present. The standards set for our entertainment at Norfolk and Buffalo and Baltimore have become so tremendously heavy on the trade, that it is difficult for us to get cities who are willing to take on the national convention. I find that in recent years it has become the custom with associations who hold annual conventions to provide what is known as a registration fee, which

covers all of the expenses of entertainment, and I believe that a very good thing. None of us come to a convention with our budget so closely drawn that we could not add \$5 or whatever sum might be fixed to pay for our entertainment, and that is a very fair way to handle the situation. There is no more reason for asking the host city to pay for our entertainment than our hotel bill and railroad fare. If there happens to be a surplus from these fees, it can be put in the hands of the treasurer, and be used perhaps at a later convention if needed. I am very strongly in favor of this plan. In Louisville 165 conventions are meeting this year, and the expense to the Louisville folks for them is practically nil. The American Bankers Association has a registration fee of \$20; the American Dental Association \$20, the Canners Association \$10, and practically every one of those 165 associations have adopted this plan. Indianapolis, for instance, I understand, won't ask for our convention because it would be too burdensome on them.

Mr. Sturtevant: Our conventions are on a little different basis than those other organizations. We are rather loosely organized. We have a big registration here, but do you know how many are members of the Association; I venture to say less than half of them. We have comparatively few members in Kansas City, yet they have entertained us royally. If we adopt a registration fee, our own direct members would come willingly and register, but the country shippers that we want to get in with us would either stay at home or they would come and not register, and I fear it would tend to keep our people who are not members of the Association away, and we want them to attend our meetings and take part in the discussion. While what Mr. Green has said is right, in actual practice I do not believe it would work out well with us.

Mr. Goodrich: I agree with Mr. Sturtevant, although I have been advocating for several years accepting an invitation from any city that wants to entertain the Association without regard to the entertainment. I think we should select the place, and go and pay our own expenses. If the city where we meet wants to entertain us a little, that is up to them. I favor every one paying his own expenses,

in the record, and I believe that after a while the members will see a light in the East.

Mr. Sturtevant: I move also that the Executive Committee be requested to give serious consideration to Mr. Green's suggestion for the future guidance of the Association.

(Seconded by Mr. Green.)

The President: This matter was brought up originally to get the consensus of opinion of the convention to guide the actions of the Board of Directors, and we would be glad to have your ideas on it.

Mr. Eikenberry: There is good sense in Mr. Green's suggestion, but I think he was unfortunate in calling this a registration fee. I think Mr. Goodrich's idea that every member come prepared to pay his own expense of entertainment a good one. I believe that is really what Mr. Green meant. If we want to participate in the banquet, as we did last night, each man can pay for his ticket. I feel this is not a very serious alteration of the plan under which we have been proceeding, except that it relieves the members

their consideration and action in each individual case as conditions might demand.

Mr. Goodrich: I move the whole matter be referred to the Board of Directors with full power to act.

The President: I do not believe there is an necessity for such a motion. The Board of Directors is where the authority lies at the present time, and I think we should develop this matter, and make no motion to restrict the action of the Board.

Mr. Sturtevant: I will withdraw my motion.

Mr. Wayne: Then I withdraw my invitation.

The President: Your invitation has already been accepted. We will now have report of Nominating Committee, Mr. Wayne, chairman.

REPORT OF NOMINATING COMMITTEE

Mr. Wayne: Your Committee on Nominations begs leave to report as follows:

President, H. G. Horner, Lawrenceville, Ill.
First vice-president, C. D. Sturtevant, Omaha, Neb.
Second vice-president, John S. Green, Louisville, Ky.
Directors: R. J. Stephens, Spokane, Wash.; Ed. S. Harts, Boonville, Mo.; L. E. Marshall, Lansing, Mich.; William I. Morse, Holyoke, Mass.; Dan M. Johnson, Essex, Vt.; and L. H. Cornell, Denver; A. S. MacDonald, Boston; H. M. Stratton, Milwaukee; John Stark, Kansas City; L. C. McMurtry, Pampa, Texas; J. W. Greer, Minneapolis; W. J. Edwards, St. Louis; W. G. Kirkpatrick, Great Falls, Mont.; A. H. Hankerson, San Francisco, and Donald A. Dailey, Rochester, N. Y.
C. C. Isely, Dodge City, Kan., is named to fill the unexpired term of W. L. Shellenberger, Lyons, Kan., who resigned.

Mr. Wayne: I move the adoption of the report. (Mr. Rumsey assumes chair. Motion seconded by Mr. Riley, and carried.)

The President: I thank you, gentlemen. I felt honored last year by election to the presidency of this great organization, and I feel doubly honored by your action now, and I assure you that I will endeavor to merit the confidence you have reposed in me today. I have never had anything in my life that has given me more pleasure or greater satisfaction than my connection with the organized grain trade, and this has been particularly true in the last year, when, through my official connection, I have come in so much closer contact with the work and with the in-



DAN M. JOHNSON
Newly Elected Director

of the trade in the entertaining city from any obligation as to entertainment. If we desire further entertainment, the members can defray their own expenses. In these terminal markets many members of the trade come in, friends both in a business and social way, and the men in that city are glad to entertain them. I think the recommendation embodied in the motion of Mr. Goodrich was quite wholesome. Mr. Green did not make a recommendation, and so declared.

The Secretary: What would you do about an entertainment such as they gave us here on Monday night? Some one must take care of the entertainment the first night of the convention.

Mr. Eikenberry: That could be arranged on the same basis as the banquet is arranged on; say a theater party or a smoker. If it wasn't considered obligatory or a moral obligation on the part of the hosts to entertain, cities like Louisville and Indianapolis would not be debarred from entertaining the convention.

Mr. Goemann: I believe what Mr. Sturtevant says about our being rather more loosely organized is a good point. The affiliated members that come in to the conventions would not pay.

Mr. Eikenberry: Most of the affiliated members that come into these conventions are the ones tributary to the market of the city in which the convention is held.

Mr. Goemann: How is a city to find out how many are coming? You have no fund set aside for entertainment, and you cannot anticipate what you will need in the way of entertainment. You don't know what the expense is going to be or the number that will contribute, and the average man comes not with the intention of contributing, and if these men are shippers to that market, it is necessary that some one take care of them.

Mr. Eikenberry: That is what I was driving at in a feeble manner. If Louisville or Indianapolis should undertake to entertain the convention, there might be latitude established to allow this method, but meeting in markets such as Kansas City, Minneapolis, Chicago or St. Louis, with a large clientele, they would make that an occasion of an annual visit, and the men there would desire to put on these features of entertainment. If I could, I would substitute a motion to the effect that this matter be left to the Directors for



E. C. EIKENBERRY

but am opposed to a registration fee. Some might want to bring their families, but would not want to be assessed for them. All we want from the city is a hall to meet in, and let us pay our own expenses. I move the Directors be requested to select a place for the next meeting regardless of entertainment, each man to pay his own expenses.

Mr. Eikenberry: I will second that.

Mr. Wayne: If the convention decides to act favorably on this motion of Mr. Goodrich, I wish to extend an invitation for Delavan, Ill., for the next annual meeting. If necessary, we will get a tent to accommodate the convention.

The President: I think Mr. Green intended that we should carry on a great deal according to the plans we have now. There wouldn't be a registration fee, strictly speaking, but at the desk you could pay for your entertainment, just as our banquet tickets are now sold. If you did not want to participate in the entertainment, it would not be necessary to pay.

Mr. Sturtevant: I think it would be a mistake to tie the hands of the Secretary and the Executive Committee in this matter. If it becomes necessary in order to place the convention, the secretary can place it along the lines the president has just suggested, but if he can locate a place where they will do as they have here, I think he should do that. I move the motion be laid on the table.

Mr. Green: I suppose this discussion will be printed



R. A. KELLY AND F. A. THEIS

individual members. I have often thought during that time that if only some of our severest critics could have a little more experience and contact with us, they would be forced to such an appreciation of our grain marketing system and the integrity and intelligence and industry of our members that they would become our most enthusiastic supporters. It is the lack of understanding of the general public of the grain business that is our trouble. If we can ever dispel that misunderstanding, and give them the same conception we have, I believe our troubles will be ended. I thank you again.

If there is nothing further to come before us, I will entertain a motion to adjourn.

Mr. Green: I move we adjourn. (Seconded by Mr. Wayne, and carried.)

Kansas City Notes

There were no more popular headquarters than that of Lamson Bros. & Co. of Chicago, Ill., in a room just off the convention hall where the market quotations in grain were posted on a large blackboard by direct special wire from the Chicago Board of Trade. In addition to this service the scores of the Washington-Pittsburgh contest over the world's series was

given by the radio in the afternoon. Representing this firm at the meeting were E. F. Thompson, George E. Booth, J. H. Barrett and Ben Hargis.

Parlor "C" of the Muehlbach Hotel was very richly and profusely adorned with samples of prize corn grown in the vicinity of St. Joseph, Mo., and in this room the members of the St. Joseph Grain Exchange, St. Joseph, Mo., made their headquarters. The white ears of corn shown ran 90 to 120 bushels to the acre according to W. M. Huff and the yellow corn 100 to 120 bushels to the acre.

The Cedar Rapids, Iowa, delegation did not allow anyone to forget that the tall corn grows in Iowa. From that market there came Jas. H. Barrett, S. W. Wilder, J. R. Murrel, Jr., J. M. Piper, C. A. Davis and Carp Carpenter.

The Los Angeles Grain Exchange, Los Angeles, Calif., will welcome grain dealers from the east at any time and to emphasize that fact maintained headquarters in Room 328 of the Muehlbach. Full information about the exchange and the resources of Southern California were given by J. Hartley Taylor, president of the Los Angeles Grain Exchange, M. D. Thiebaud, secretary, and W. E. Howard.

All the leading state associations were represented by their officers. From Ohio, president S. L. Rice, Metamora, and secretary J. W. McCord, of Columbus; Indiana, president E. K. Sowash, Crown Point, and secretary Chas. B. Riley of Indianapolis; Illinois, president C. E. Graves, Weston, and secretary W. E. Culbertson, Delavan; Iowa, president Clifford C. Belz of Conrad; Missouri, D. L. Boyer, secretary, Moberly; Texas, president Harry Kearns, Amarillo.

The former presidents in attendance at the convention held their annual dinner at the Muehlbach. There were present: F. E. Watkins, Cleveland, Ohio; E. C. Eikenberry, Camden, Ohio; E. M. Wayne, Delavan, Ill.; H. L. Goemann, Mansfield, Ohio; P. E. Goodrich, Winchester, Ind.; B. E. Clement, Waco, Texas; Fred Horner, Chicago, Ill.

J. A. Peterson, manager of the Western Maryland Company's elevators at Baltimore, Md., renewed his acquaintance with the western grain trade and gave out the information that an additional large marine leg had recently been installed at the elevator, for unloading any coastwise vessel or the largest ocean liners.

D. J. Schuh, secretary of the Cincinnati Grain &

Essmueller, Essmueller Mill Furnishing Company, St. Louis, Mo.; Frank M. Murphy, with Huntley Manufacturing Company, Silver Creek, N. Y.; Harry J. Holden, of H. R. Williams Mill Supply Company, Kansas City, Mo.; E. H. Lott, representing Carter-Mayhew Manufacturing Company, Minneapolis, Minn.; A. J. Hazle, Jr., with B. F. Gump Co., Chicago, Ill.

Walter Izzard, manager of the Kansas City office of Bartlett Frazier Co., of Chicago, had as guests from the home office, attending the convention, Fred T. Bascom, H. S. Klein and J. J. Coffman.

W. W. Sutcliffe, Jr., cashier of the Canal Commercial Trust and Savings Bank of New Orleans, La., attended the meeting with J. B. Sanford, Harry L. Daunoy, Sam Fears and R. C. Jordan. Mr. Sutcliffe's bank does a very large business with the grain trade passing through New Orleans and he praised the large and adequate facilities afforded by New Orleans as an export market.

Tilghman A. Bryant again brought in the St. Louis delegation right on time by special train. There were some 90 members of the trade in attendance from that market.

The General Entertainment Committee, with L. A.

president; H. W. Ewert, Chicago, secretary. Among other things, a resolution was adopted requesting all the shippers of the country to tack a card on the grain door giving the weight of the car and contents, if weighed, and information as to whether the car was weighed or the weight was estimated.

TO MONOPOLIZE RYE MARKET

Russian agents are reported to be negotiating with mills in Riga, Latvia, for the sale of from 1,960,000 to 2,360,000 bushels of rye. The price is said to be \$1.04 per bushel. In an advice to the Department of Commerce, Washington, D. C., these figures have been included, along with the information that the Latvian flour mills have entered into an agreement with Russia to purchase nothing but Russian rye.

WORLD WHEAT CROP STRENGTHENS

The abundant harvests in Europe, Canada and North Africa have been largely responsible for the now more favorable indication of world wheat production. The world's bread grain crop, according to latest Government figures will be 8 per cent larger than the 1924 returns. The total estimate is 2,852,000,000 bushels for the 29 countries (exclusive of Russia and China) which produce 85 per cent of the world's volume. Last year these countries produced 2,634,000,000.

The post-war comeback of world wheat countries is also shown in the fact that the 29 countries produced an average of 2,860,000,000 bushels a year in the pre-war period 1909-13. With a record wheat harvest in Italy and large crops in France, Germany and the lower Danubian countries, the European wheat crop this year outside of Russia



A. A. BREED, MILWAUKEE, WIS.
Elected President, Chief Grain Inspectors National Association

Fuller, chairman, held its headquarters in a room on the mezzanine floor, and its various members and those of sub-committees were indefatigable in promoting the pleasure and comfort of their guests. "Had the best time ever," was one of the principal expressions heard as the dealers and their ladies left for home.

CHIEF GRAIN INSPECTORS MEET

The meeting of the Chief Grain Inspectors National Association was held on Tuesday and resulted in the election of A. A. Breed, of Milwaukee, Wis., president; L. D. Irving, Louisville, Ky., vice-president; Paul Larson, Sioux City, Iowa, secretary and treasurer.

A very interesting talk was given by O. F. Phillips of the Board of Review of Chicago.

Directors were appointed as follows: D. H. Larkin, Baltimore, chairman; G. H. Tunnell, Minneapolis, Minn.; S. P. Fears, New Orleans; S. A. Holder, Indianapolis; A. E. Hawn, Chicago; J. W. Connors, Superior, Wis.

Committee appointed on membership: F. B. Tompkins, Peoria, Ill.; M. C. Fears, Kansas City; J. W. Connors, Superior, Wis.; G. C. Rhodes, Enid, Okla.; L. D. Irving, Louisville, Ky.

Committee on Speaking and Papers: H. D. Larkin, Baltimore, Md.; S. P. Fears, New Orleans; J. A. Hallam, Cincinnati, Ohio; H. F. Hanks, Terre Haute, Ind.; H. R. Clark, Omaha, Neb.

Auditing Committee: M. C. Culp, Cairo, Ill.; S. A. Holder, Indianapolis, Ind.; F. M. Fink, Kansas City, Mo.; P. D. Connors, Buffalo, N. Y.; R. W. Gray, Duluth, Minn.

Committee on Grades: G. H. Tunnell, Minneapolis, Minn.; W. P. Dalton, chief inspector of State of Kansas; A. V. Tischer, Des Moines, Iowa; J. A. Hallam, Cincinnati, Ohio.

THE WEIGHMASTERS NATIONAL ELECTS OFFICERS

The Terminal Grain Weighmasters National Association held its annual meeting on Monday, October 12, and re-elected the following officers: J. A. Schmitz, Chicago, president; P. P. Quist, Minneapolis, vice-



J. A. SCHMITZ, CHICAGO
Re-elected president of the Weighmasters

is 26 per cent above 1924 production, and only about 1 per cent below the 1909-13 pre-war average, the department says. Aggregate production of 20 European countries reported to date is 1,282,000,000 bushels against 1,015,000,000 bushels last year, and 1,296,000,000 bushels the pre-war average.

The French crop is now placed at 329,000,000 bushels against 281,000,000 bushels in 1924, and 326,000,000 bushels the pre-war average. Normal consumption in France is roughly estimated at 340,000,000 bushels so that with good crops in North Africa to draw upon France will have little need to import wheat from other countries. Italy has a normal domestic requirement of some 280,000,000 bushels and a crop estimated at 231,000,000 bushels.

DURING the calendar year 1924-25, the exports of wheat from India amounted to 42,980,000 bushels, an increase of nearly 18,000,000 bushels over 1923-24, the quantity exported amounted to 4,610,000 bushels.



PRIZE ST. JOSEPH, MO., CORN

Hay Exchange, and J. A. Hallam, chief inspector and weighmaster, represented that market. Mr. Schuh pointed out that Cincinnati was advancing rapidly as a wheat market with the facilities afforded by the new elevator just completed by the Early & Daniel Company and that wheat receipts had been rapidly increasing.

Miss Hiawatha, representing the Hiawatha Grain Company of Minneapolis, Minn., and dressed in the costume of a young Indian princess, distributed souvenirs with the compliments of that firm.

A much prized book to be carried home from the convention by the country dealer, was the souvenir program gotten out by the members of the Kansas City Board of Trade. It gives a picture of a scene on 'Change on the Kansas City Board of Trade, May 23, 1877, as well as the trading floor of the new building at Tenth and Wyandotte Streets. Many of the large mills and grain elevators of the city were illustrated by handsome half tones as well as public buildings, private residences, parks and boulevards. Much information of value about Kansas City was also given and statistics about its trade and commerce.

The machinery interests were represented at the convention by several large firms, including W. C.



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ADVERTISING.

This paper has a large circulation among the elevator men and grain dealers of the country, and is the best medium in the United States for reaching persons connected with this trade. Advertising rates made known upon application.

CORRESPONDENCE.

We solicit correspondence upon all topics of interest connected with the handling of grain or cognate subjects.

Official Paper of the Grain Dealers National Association and of the Illinois Grain Dealers Association

CHICAGO, ILL., OCTOBER 15, 1925

SMUT-PROFITS

WHILE others have been talking about the heavy toll that wheat smut has been taking in the Omaha, Duluth and other markets, many grain dealers have reversed the whole proposition and have been capitalizing the very penalties placed on smutty wheat. Wheat washing and drying machines have at no time been paying better dividends to their users than they have this year. Smutty wheat, whether it is bound for a mill or for storage, is a burden and drug on the market until it reaches an operator who is prepared to put it in a fit-for-profit condition.

Combination washers and driers are available with power requirements ranging from one to twelve horsepower. They take less power than scourers of like capacity, and, after the first cost, the upkeep is enough below the income derived from their use to make them definite assets. With only a five-cent penalty on smutted wheat, a washer and drier with but a 50-bushel per hour capacity can be made to yield several hundred dollars' profit per month.

HAY AND HORSESHOES

A GOOD bedtime story for hay shippers who are distressed by dreams of motor trucks chasing horses into final extinction, is contained in a late issue of the *Iron Age*. It is related that the horse, heedless of the klaxon's demand to get out of the way, is yet supporting a dozen thriving plants devoted to the manufacture of horseshoes and horseshoe bars. The village blacksmith and

his city brother are furnishing new equine footwear, as fast as the old ones wear out, to 5,000,000 horses in the United States. Fitting 20,000,000 horseshoes to the four feet of the 5,000,000 hay-eaters is their job. Taking horses and mules, there are some 17,000,000 "engaged in agriculture" in this country. The driving horse, of course, is a thing of the past as far as the hay market goes. Today our equine population consists chiefly of draft horses. The stout Clydesdales and powerful Percherons carry an enormous share of our transportation burdens, and with the other farm horses, the 500,000 saddle-horses, the polo ponies, and thoroughbreds, create a demand for hay and feed as well as for horseshoes, that is far from discouraging.

YELLOW GRAIN GAINS

THE outstanding feature of the Department of Agriculture estimate released October 9, is the increase of 33,000,000 bushels in the indicated corn crop during the last month. The yield is now put at 2,918,000,000 bushels, a remarkable volume in view of the adverse weather conditions.

The Spring wheat indication, however, is 2,000,000 bushels weaker than in September, and this is helping the spirits of the farm leaders and bankers who advised wheat holding. The total Spring wheat harvest is now estimated at 282,000,000, which, in combination with corn, oats, barley and rye totals, puts the 1925 production up to 5,365,000,000 bushels, 1,036,000,000 bushels in excess of last year's returns.

The wheat crop in 28 foreign countries of the Northern Hemisphere reported up to October 9, amounts to 2,153,000,000 bushels, compared to 1,758,000,000 bushels for the same group of nations in 1924. Adding the United States' estimate (total wheat), the figures are 2,851,000,000 for this year, in comparison with the 2,631,000,000 bushels in 1924.

SUNUP

"TODAY is sunup for American grain exchanges," said President F. L. Carey, of the Chicago Board of Trade, in commenting upon the membership's vote of October 10. "At one stroke more has been accomplished than would have been possible in years of legislative effort. Our revisions come from within. They are sincere and genuine."

One of the new regulations places in the hands of the pit directors almost complete control of the market during wild price swings. On 10 hours' notice, without appeal to the members as a whole, the directors may place an arbitrary limit on price fluctuations. Thereafter they may prohibit trading during any day at prices above or below a certain percentage of the closing price the night before. A second rule provides for a Business Conduct Committee that will have full power to regulate the ethics of trading in the pit and to protect the public. Under the third new rule, the 600 out-of-town members are given equal suffrage, and may now vote by

mail. This makes for democracy and equality.

The Italians have a very impressive epigram, "*di buone intenzioni e lastricato l'inferno*" (Hell is paved with good intentions) which, it is reported, they are using frequently now in reference to their Government's latest attempt at suppression of speculation on the bourse. Serious declines alternating with inflation of stocks on the exchange have made them rather bitter toward the idea of the 'Change being made into the playground of politicians. In contrast to the predicament in which members of Italian stock exchanges now find themselves, is the situation in America which President Carey is quoted above as describing. Two exchanges have already followed Chicago's suit, and others are on the way. True, the reform "from within" has been by request, and is not nearly so drastic as the press notices would have us and the public believe. Nevertheless, the pit undoubtedly has not been hurt by having the searchlight trained on it for a while. With the final compliance of the Board to Secretary Jardine's wishes, the exchange has received a favorable bit of national publicity that ought to be fully worth the inconvenience it cost.

BY, BUT NOT FOR

SO MANY collars have been wilted and so much heat generally has been indulged in by opponents and proponents of co-operative marketing that it is gratifying to read the coolly objective analysis, "Co-operation in the United States." It is a volume published by, but not for, the Grain Dealers National Association, any more than for others interested in getting to the fact-bottom of all this co-operative argument. Gratifying to read, even though the 126 pages are set in small type, and after a rigidly logical and straight-going outline that heavily penalizes "skimming through."

One of the most interesting groups of figures given in this work are those quoted from the Federal Trade Commission, showing the average buying margins five crop years, 1912 to 1917:

	Per Bushel
Co-operative Elevators	6.39 cents
Line Elevators	5.39 cents
Independent Elevators	7.04 cents
Mill Elevators	7.15 cents

(Ref. Report of the Federal Trade Commission on the Grain Trades, 1920, Vol. 1, p. 192.)

"The touchstone of the success" of the marketing scheme, as shown by these and other figures, is the deduction that has to be made from the terminal price in paying the farmer for his grain. All of which would be just some more anti-co-operative talk if it were not for the fact that the report has appended, to every such statement, data from a reliable source—volume, page, number, or whatever is necessary. It is a disillusioning book to put in the hands of your boy if he is still in school and, under some economics professor, enjoying one of the beautiful school-book versions of co-operation. If he wants to go in the grain business later, though, send it to him special delivery.

EDITORIAL MENTION

Repetition of the warning that salvaged grain should be put only in open bins, still seems to be necessary. Gas and burned grain are assets to no elevator.

A black surface reflects only 10 per cent of the light falling against it. The average white pigment reflects about 80 per cent of light. A well lighted plant interior is not wholly dependent on electricity.

Farm products stored in a bonded warehouse are equivalent to money in the bank. The Federal and state warehouse laws are now in full effect in Idaho, to the distinct advantage of farmer, banker, and warehouseman.

October is your last chance to make sure that all smoke and stove pipes around the plant are in good condition—substantially supported, safely away from woodwork and all combustible materials. Rusted pipes should be replaced at once.

If as much progress is made in the next 10 years, as was made in the last 10, Canada will produce 500,000,000 bushels of wheat a year. The Dominion as well as the United States growers should bear in mind though, that quality is as good a door to profit as quantity.

Henry Ford, as well as Edsel, is going to try out the airplane business. Much as he is reviled by other manufacturers, he must be given credit for his willingness to experiment with sidelines. The grain trade is for him as long as he limits his grain dealing experiments to his one flour mill.

The Rural Grain Company, an organization of farmers' elevators in Iowa and Illinois, which now has a membership on the Chicago Board of Trade, is being watched with interest by other farmer groups. Some believe the membership will prove to be an expensive luxury.

It took a good many years of sustained propaganda to get the bulk handling system adopted in Australia, but the bagging of wheat is now giving way. The Victorian Government's Commission, appointed to inquire into the bulk handling system, has reported favorably.

Investigations by the Department of Commerce entirely fail to substantiate estimates from Russian and other sources, placing the Russian export of wheat from this harvest at 300,000,000 bushels. The more likely figure, it is declared, is from 40,000,000 to 75,000,000 bushels.

It was loudly heralded a few weeks ago that the Federal Trade Commission had turned over a new leaf. Companies under investigation were to be allowed to offer rebuttal to claims of their being illegally oper-

ated before such complaints were made public by the commission. But the Federal Trade Commission is a house divided against itself; two of the commissioners have announced on their own authority that the General Baking Company merger is being closely examined. It looks like a hard winter for the merger anyway. "The bread trust!" Which politician will get at it first when Congress convenes in December?

James R. Howard, a former president of the American Farm Bureau Federation, has made the statement that an excellent grade of rubber suitable for automobile tires, has been made from corn. Cost of production is still too high to permit competition with the usual sources of rubber, but the process is still in an experimental stage and may be improved upon. King Corn is versatile.

It is to be hoped that the grain trade made a better showing, at least during Fire Prevention Week, October 4 to 10, than did the world's champion fire fighters referred to in the following paragraph from the *New York Journal of Commerce* of October 6:

"East Islip, N. Y., Oct. 4.—Fire destroyed headquarters of 'World's Champion Volunteer Fire Department.' Building valued at \$30,000 and 65 cups and trophies lost."

Pride cometh before a fire.

"We noticed the trucks going by loaded with wheat for the local co-operative elevator," writes a grain dealer. "Had their offer on the 'phone to pay the top price for wheat and send the truck right out after it. Asked one of the 'co-operators' how much it cost to truck in wheat from the machine and he said he did not know, that they only did it for accommodation."

"Only doing things for accommodation" is something which Babson dwells on from time to time in his business-failure charts.

A writer for the Crop Reporting Board at Washington, D. C., explains that some acreage reports are based on telegraph pole estimates. For instance, if wheat fields along a railroad are seen to lie behind 3,000 telegraph poles one year and behind 3,300 poles next year, that is taken to reflect a 10 per cent increase in acreage. That sounds too good to be practical. The varying depth of fields must in some way be accounted for by the observers, but in none of the recent "crop-meter" stories from Washington, does account seem to be taken of anything but lineal measurement.

Where water barrels, pails, or hand pump extinguishers are located around an elevator in places subject to freezing temperatures, calcium chloride may well be used to lower the freezing point of their contents. Five pounds of this anti-freezing solution, which can be bought through druggists, will depress the freezing point of $2\frac{1}{4}$ gallons of water to 10° above zero; $7\frac{1}{2}$ pounds depress it to 10° below zero. Then, if the weather man is still pessimistic, don't worry: Ten pounds will hold a two-gallon pail's contents liquid until the mercury drops 40°

below zero. For larger containers the same proportions are workable. A tablespoonful of lime per two gallons will help greatly to prevent corrosion, but it is better to coat inside of containers with asphaltum paint. Container covers will help to preserve the anti-freeze solution as mixed.

Part of the service some elevator owners offer to farmers is the passing on of the latest insect control methods developed for grain growers. One of the best of recent works on this subject can be obtained from Agricultural Experiment Station, (Agricultural College, N. D., is the postoffice address) in North Dakota. It is Circular 25, dealing fully with the control of insects affecting stems of wheat and other small grains in that state.

Running a large elevator calls for knowledge of grain, equipment, and men. Training the manager's assistants is a job requiring not only a supply of technical information but a great amount of tact. "Don't kick if I kick. If you're worth while correcting you're worth while keeping. I don't waste time cutting specks out of rotten apples." That is representative of the attitude of plant managers who make the most of the men they hire.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912.

of AMERICAN ELEVATOR AND GRAIN TRADE, published monthly at Chicago, Ill., for October 1, 1925.
State of Illinois }
County of Cook } ss.

Before me, a notary in and for the State and county aforesaid, personally appeared A. J. Mitchell, who, having been duly sworn according to law, deposes and says that he is the Business Manager of the AMERICAN ELEVATOR AND GRAIN TRADE and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Mitchell Brothers Publishing Co., 431 S. Dearborn St., Chicago, Ill.

Editor, John E. Bacon, 4546 Clarendon Ave., Chicago, Ill.
Managing Editor, Richard Pride, 2878 N. Clark St., Chicago, Ill.

Business Manager, A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.

2. That the owner is: (If the publication is owned by an individual his name and address, or if owned by more than one individual the name and address of each, should be given below; if the publication is owned by a corporation the name of the corporation and the names and addresses of the stockholders owning or holding one per cent or more of the total amount of stock should be given.)

A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.
A. H. Mitchell, 4818 Dorchester Ave., Chicago, Ill.
John E. Bacon, 4546 Clarendon Ave., Chicago, Ill.
M. B. Mitchell, Ottawa, Ill.
John W. Mitchell, 506 M. St., N. W., Washington, D. C.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)

None.
4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholders or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds or other securities than as so stated by him.
5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the six months preceding the date shown above is: (This information is required from daily publications only.)

A. J. MITCHELL
Business Manager.

Sworn to and subscribed before me this 24th day of September, 1925.

[SEAL] W. F. WARRICK.
(My notarial commission expires May 8, 1928.)

E. M. COMBS
Chicago

NEWS OF THE TERMINAL MARKETS

E. K. SHEPPERD
Indianapolis

NEW OFFICERS MINNEAPOLIS CHAMBER OF COMMERCE

The annual election of officers of the Minneapolis Chamber of Commerce, Minneapolis, Minn., took place early in October, resulting as follows:

Henry J. Moreton, manager for Bartlett Frazier Co., of Chicago, president; John S. Pillsbury, second vice-president; J. C. Weyman, A. F. Owen, F. J. Seidl, E. E. Mitchell and George K. LaBatt, directors; Asher Howard, E. S. Ferguson and James Macrae, members of the Board of Arbitration; C. G. Williams, J. A. Mull and P. C. Ruthenford, members of the Board of Appeals.

AGRICULTURAL HIGH SPOTS

The high spots in the cable news are—that lack of rains in Australia has reduced wheat crop prospects about 40,000,000 bushels; in Germany the potato crop badly affected by disease; also that they are selling low gluten wheat to the Balkan countries and at the same time buying bread wheat from North America; that Russia is selling large quantities of barley, but offers of wheat are lighter; it is cold in Argentina, private sources again report frosts, which London also again deny. In South Africa, with strike practically settled, exports of corn are increasing. On this side the developments over the holiday are that northwest millers bought about two million Canadian wheat, duty paid; shipment via Duluth—500,000 to Minneapolis, 1,500,000 to Buffalo.—*Pope & Eckhardt Company, Chicago, Ill. From Market Letter of October 13.*

WHEAT MOVEMENT SLOW

There is so little wheat being shipped just at the present time that it is just about impossible to quote any prices on same. Any No. 2 Red Winter wheat will command a premium at this time, as the demand is very good.

Old corn is meeting with a very good demand, as the receipts are very light and stocks of old corn are just about exhausted. The present weather should mature the new crop very rapidly and we look for the receipts of this grain in fair volume before very long. We can see nothing to hold the new corn value anywhere near the present quotations and would suggest sales of new corn for shipment where reasonable time can be secured to make deliveries.—*H. E. Kinney Grain Company, Indianapolis, Ind. Market letter of October 10.*

WHEAT RECEIPTS LIGHT

Our market has not been receiving any volume of nearby wheat. Premiums have advanced steadily with 15 cents over Chicago new December being the prevailing bid price for No. 2 Red Winter, nearby shipping points. Generally speaking, receipts have been so light that mills are wondering where future supplies will come from to maintain their Soft Winter wheat flour grades. Already there is some tendency on part of interior mills to buy Spring wheat of protein content ranging 12 to 13 per cent. We understand fair quantities of Manitoba wheat have been imported to meet spot flour sales. With comparatively high premiums ruling in Minneapolis market we understand there has been a good size volume of Canadian wheat working to come forward at an early date on which duty is to be paid and flour to go into domestic consumption.

Demand for old corn continues fair with premiums prevailing on light receipts. Weather is

generally ideal for curing new corn crop. Quality throughout this section is excellent. Driers will soon be operating if any premium prevails for kiln dried corn over the new.

Cash demand for carloads on spot continues good. No. 2 White grades ranging 2 to 2½ cents over Chicago December, f. o. b. nearby points. No. 3 Whites ranging 1 cent discount.—*C. A. King & Co., Toledo, Ohio. Market Letter of October 13.*

MARCY HEADS ARMOUR BOARD

It is stated it was George E. Marcy's advice that resulted in J. Ogden Armour, the head of the Armour interests of Chicago, Ill., pledging his personal credit and that of all his companies at the outbreak of the World War to keep open the Chicago Board of Trade when there was a press-



JOHN KELLOGG

ing demand that it be closed. That incident is but one of many of the important services rendered by Mr. Marcy to the grain industry, and a recent change in his relation to the Armour Grain Company is of especial interest on account of his many connections in the trade.

The announcement was made early this month that Mr. Marcy, active figure in the world's grain trade for many years, had resigned as president of the Armour Grain Company and would remain with the organization as chairman of the board. He is succeeded by John Kellogg, who has been first vice-president of the firm since 1916 and who has been associated with the company for more than 20 years. His wide contact with other large cash and speculative grain houses well fits him for this new and important post.

The rise of Mr. Marcy dates from his entrance into the grain trade in 1879 as a boy of 15 with the old firm of H. W. Rogers & Bros. He went to the Armour Grain Company in 1889 and became president in 1910.

K. V. R. Nicol was re-elected vice-president of the Armour Grain Company, and George E. Saunders, vice-president, while O. S. Dowse, E. F. Havey and C. H. Hunting were elevated to assistant vice-presidents. All have been with the firm for 20 years or more. J. L. Overlock was elected comptroller, and H. C. Pohlson secretary and treasurer.

COMMITTEE'S REFORM PLAN ADOPTED

A stormy battle of six years over grain marketing methods was ended October 9 with the adoption of new and sweeping changes by the Chicago Board of Trade.

By overwhelming vote the membership approved what were characterized as revolutionary revisions in the rules of the century-old grain exchange.

Wild price swings are curbed by one new rule. By another is created a business conduct committee with important duties. It is charged, among other things, with protecting the public's interests at all times. A third major change permits outside members to vote by mail, thus upsetting an ancient tradition and throwing wide the doors to the counsel, of some 600 non-resident members.

All these changes and the recent creation of a modern clearing house system which came after a 10-year controversy, have the warm endorsement of the Department of Agriculture, which is charged with the supervision of the exchange.

Since Chicago, the world's greatest grain market, has taken the lead, other exchanges have begun revision of their rules, Minneapolis already having adopted almost identical amendments. The other markets are to conform shortly.

"Today is sun-up for American grain exchanges," said President Frank L. Carey, after announcement of the vote. "At one stroke more has been accomplished than would have been possible in years of legislative effort, whatever the sincerity of such aims.

"Our revisions have come from within. They are sincere and genuine. Their importance is far-reaching. They strengthen the only weak points of a marketing machine that now stands a challenge in efficiency. High credit should go to the Members Program Committee, a capable, far-sighted group of men, to a fearless Board of Directors, and to a membership willing to take this great forward step."

Violent price swings such as occurred last winter when a wheat famine threatened may be curbed in short order under the new limitations rule. On 10 hours notice the directors may declare that an emergency exists. A limitation may be placed upon the daily price swings. The directors may then prohibit trading during any day at prices above or below a certain percentage of the closing price the night before.

Twelve directors must be present and two-thirds vote is necessary to declare such an emergency. On motion to declare the emergency ended, a two-thirds vote will be necessary to continue it. A member would risk serious penalty to trade in violation of the regulation.

Leaders declare the change will make it possible to meet a situation such as occurs when public speculation carries the market out of bounds. It has an added advantage of flexibility, thus avoiding the grave dangers of an arbitrary daily limitation.

L. F. Gates, former president and chairman of the Members Program Committee, declared the newly created Business Conduct Committee will be able to prevent situations in the market that have brought criticism on the exchange.

"The president with approval of the directors is now authorized to appoint such a committee from the general membership," he said. "One member will serve one year, another two and another three years. The president of the exchange and the president of the grain clearing corporation would

be members of the committee. The committee members would pledge themselves not to speculate during term of service.

"It will be the committee's duty to prevent manipulation, and supervise the conduct of members in their relations with non-member customers, the public at large, the state government and the Federal Government. The committee may investigate dealings, examine books and records of members and determine financial conditions. Its findings shall be final, and heavy penalties will result from violations of its conclusions."

For years a chief complaint against the Chicago market has been that of its 1,600 members, 600 living in other cities were in effect denied the right of vote, to cast a ballot necessitating a trip to Chicago. It has been argued that the constructive influence and counsel of these outside members would tend toward greater trade unity. Hence the action in extending the right of vote by mail was deemed important.

The belief is general both here and in Washington, according to leaders of the grain trade, that the long battle between the exchanges and farm organizations which began with post-war price deflation is now at an end. The exchange, operating under Government supervision, has admitted co-operative organizations to membership with mutual privileges, has approved a new modern clearing house system, curved price swings, laid the groundwork for strict enforcement of rigid rules carrying out the Grain Futures Act to the letter through the business conduct committee, and has opened its counsels to outside members.

"There is nothing more to be asked," said L. L. Winters, of the Members Program Committee which worked out the present changes. "It is the greatest forward step since the cleanup of bucketshops 25 years ago."

Washington dispatches in recent weeks have indicated that the administration would frown upon any further attempts to restrict the grain exchanges in event the program begun early last spring and just now completed were put into effect.

Senator Capper, leader in farm legislation, has indicated he sees no necessity of farm relief legislation this term, which has been taken in agricultural circles to mean that an attempt to revive a farm export corporation bill would have little aid from the Senate.

In the balloting, the amendment permitting non-resident members to vote by mail carried 421 to 263, the limitation of price swings 508 to 169, and creation of a Business Conduct Committee 550 to 126.

CORN PROSPECTS BRIGHT

Receipts of old corn in the past week or 10 days from Ohio and Indiana points have been more liberal than any time on the crop. The demand has been very indifferent, with buyers taking hold only for immediate requirements.

The new corn crop in Pennsylvania and eastern Ohio, also Maryland and New Jersey, from our personal observation, is claimed to be the best ever. The husking has been going on for about two weeks and the fields are reported exceptionally heavy. With this condition in the eastern territory it is not likely that there will be much outlet for an early movement on new ear corn or shelled corn. Reports generally show very slow consuming demand. The values here have been well in line with western quotations and in many cases spot cars are commanding a premium, especially for No. 2 grade.

The demand for oats has been extremely dull, with light receipts. Canvas of the trade throughout the eastern territory indicates the slowest demand for feedstuffs known for years. There seems to be a heavy stock of oats at all local points, and eastern territory is offering oats to be shipped to Pittsburgh. The values on oats here have been well maintained, owing to the fact that there have been very few fresh arrivals. Country offerings from points west of us have been practically nothing.

The wheat situation shows up very dull in the

eastern territory with very little demand and the strength in the cash premiums and the weakness of the option has caused more or less wheat to come out of local points.—*The Harper Grain Company, Pittsburgh, Pa. Market letter of October 10.*

LIGHT RECEIPTS CHARACTERIZE MARKET

The predominating feature of our market is the very light receipts. This condition prevails in most terminal markets at the present time and is causing a very strong cash situation in all grains. The industries and elevators here are having some difficulty in getting enough grain to fill their immediate requirements.—*E. P. Bacon Company, Milwaukee, Wis. Market letter of October 10.*

CHANGE IN OLD ESTABLISHED FIRM

A change of unusual interest was recently made in one of the important grain and hay firms of St. Louis, Mo., when W. H. Toberman, W. E. Toberman, F. W. Roskopf, M. F. Toberman, Jas. W. Dye and Zeb Owings announced the organization of the Toberman Grain Company, succeeding Toberman, Mackey & Co., which discontinued business September 22. The organizers of the new company have had long experience and are most favorably known to the trade.

W. H. Toberman, F. W. Roskopf, M. E. Toberman



W. H. TOBERMAN

man and Zeb Owings have been connected with the firm of Toberman, Mackey & Co. of St. Louis for many years and are members of the St. Louis Merchants Exchange. M. F. Toberman, the new member of the organization, is a business man of Fillmore, Ill., and has had large and substantial grain and hay interests at that point for many years. Offices of the company are in 300 Merchants' Exchange and they have ample facilities to serve the trade as commission merchants in buying and selling grain and kindred products.

W. H. Toberman is president of the company and much of the popularity and success of the former firm was due to his efforts. Surrounded as he is by capable managers in the various departments, it is safe to predict a future of sound, substantial business.

WET WEATHER RETARDS PLANTING

Fields which the farmers expect to seed to wheat have with few exceptions been too wet to permit of planting; in fact, many are green with a growth of vegetation of various kinds, which will have to be harrowed down before soil is fit for the seeder. Not over one-third of our prospective wheat acreage is seeded as yet and some are fearful that the season is getting a little late, but a week of good weather will turn the trick, and our guess is that the wheat plant will have time to make a fair growth here before the ground freezes for the winter.

If you don't think this a freak season, let us tell you of strawberries, stringbeans and raspber-

ries, home grown, that appeared in our markets this week; last night's frost probably nipped such things in the bud. The fine growing fall weather has no doubt brought to maturity late planted fields of corn that a few weeks ago were thought to be good only for shocking and silo.

We have in this office a sample of hand shelled corn taken from 75 ears gathered from fields near Decatur; same was fully equal to No. 2 in quality and contained less than 24 per cent moisture, which leads us to believe that we may ship No. 3 corn from this section in November should weather prove favorable, as our guide says it will be. Some farmers will commence shucking by the fifteenth; it now looks like this work will be on in full blast by October 20.

The lower prices prevailing have checked movement of old corn to market and also sales of new corn for future delivery, but demand for both is good and many think corn prices are around the bottom. A few local dealers are moving out some cribbed oats to make room for corn. We note a better demand for them.—*H. I. Baldwin & Co., Decatur, Ill. Market letter of October 10.*

D. C. McLACHLAN HEADS WINNIPEG EXCHANGE

D. C. McLachlan, manager of the Western Terminal Elevator Company, Ltd., was elected president of the Winnipeg Grain Exchange, Winnipeg, Man., for the term 1925-26, at the annual meeting of the exchange held recently. A. Thomson, manager of the International Elevator Company, and N. J. Breen, western manager of the Lake of the Woods Milling Company, were appointed vice-presidents. Dr. Robert Magill was returned as secretary by acclamation.

CHICAGO PLAN FOLLOWED

On October 20, the Kansas City Board of Trade will ballot on three propositions very similar to proposals recently advanced for the consideration of Chicago Board of Trade members. It is desired to make the two markets uniform in business practices. The rule revision would give non-resident members of the exchange the privilege of voting by mail, and give directors power to limit fluctuations in grain in times of emergency. It would provide for the establishment of a Business Conduct Committee composed of the president of the Board of Trade, the president of the Clearing House Company, and three other members. The latter would be given arbitrary powers in dealing with members suspected of manipulating prices.

GOOD DEMAND FOR OATS AND CORN

There exists at present a good steady demand for both corn and oats. The recent decline in corn has not been fully reflected in this market, as the demand for cash corn has improved considerably and there is every indication that the new crop is going to meet with an excellent eastern demand at around present level of prices.

The volume of oats which has gone into consumption in the east since the movement of the new crop started is considerably ahead of last year at this time, and with heavier feeding operations certain to take place this winter all over the East this market expects to handle a much larger volume of grain than has been the case during the past several years.—*J. G. McKillen, Inc., Buffalo, N. Y. Market letter of October 10.*

DULUTH REVISES RULES

To place that market in line with the Chicago Board of Trade and the other futures markets, members of the Duluth Board of Trade have adopted changes in the rules designed to prevent wide fluctuations in quotations of wheat and other grains in accordance with the suggestion of Secretary of Agriculture Jardine.

The most important change is the emergency price limit rule under which the Board of Directors may at any time on 10 hours' notice declare that an emergency exists during which there should be a limit in the daily fluctuations in the market prices of grain for future delivery. Upon such find-

ing and declaration, the Board by regulation may provide that there shall be no trading for future delivery during any day in any specified grain at prices more than 5 per cent or some higher specified percentage above or below the average closing price of the previous business day. Such an emergency may only be declared by an affirmative vote of two-thirds of the Board members present and an attendance of eight directors shall be necessary to constitute a quorum for this purpose, and upon a subsequent motion to declare the emergency terminated, such emergency shall be deemed terminated unless two-thirds of the Board members present vote in favor of continuing the emergency. Any member who during the existence of such emergency enters into any contract under the rules of this association in violation of such regulations shall be liable to suspension or expulsion.

The changes in the rules also provide for the appointment of a Business Conduct Committee of three members to be appointed annually by the president with the approval of the Board of Directors, whose duties it will be to see that all the regulations governing the market are observed and to consider and pass upon cases of infractions.

Another change permits non-resident members and any member who may be absent from Duluth to put in his vote by mail at any Board election in place of being forced to be on hand personally to exercise his franchise.

CHANGES IN MEMBERSHIP

Chicago.—The memberships of the following on the Board of Trade have been transferred: John R. Marshall, Robert E. Tarse, Harry A. Olendorf, Frank F. Wood, Estate Robert E. McDonnell, Wm. H. Logan, Jr. Chas. E. Cohen, Susumu Tsukaguchi, Wirt Dexter Walker, Harry L. Emmert, Robert C. King and Robert P. Clark have been admitted to membership on the exchange. Watson S. Moore has been reinstated. Reported by Secretary James J. Fones.

Duluth.—Memberships on the Board of Trade have been granted the following: T. H. MacInnis, S. M. Sorenson, W. W. Lyness, C. G. Ireys, H. D. Palin, A. R. McRae, E. J. Morris and A. Marcy. The memberships of the following were withdrawn: J. W. Allen, Robert Hanson, George Gackle, G. A. Regan, C. E. Thayer, W. S. Moore, P. Mallon, H. W. Hellier and H. Cook. Reported by Secretary Charles F. MacDonald.

Milwaukee.—Lewis E. McClellan has been admitted to membership in the Chamber of Commerce. The membership of Wallace M. Bell, deceased, has been transferred. Reported by Secretary H. A. Plumb.

TERMINAL NOTES

Clark & Clark have opened an office in Toronto, Ont., to conduct a general grain business.

The Traders Grain Company, Ltd., of Winnipeg, Man., has been incorporated with a capital stock of \$100,000.

The Topper Grain Company, Ltd., Winnipeg, Man., has been formed by F. E. Topper, W. W. McKean and E. L. Bengham.

J. E. Carney of Bartlett Frazier Co., with offices at 111 Jackson Boulevard, Chicago, Ill., has returned from a three months' trip to Europe.

William Andrews, manager of the Peoria office of Lamson Bros. & Co., of Chicago, Ill., left recently on a leave of absence on account of ill health.

William P. Jones, formerly with the grain firm of L. F. Miller & Sons of Philadelphia, Pa., has become connected with the Philadelphia Export Company.

A. J. Hinton, who manages the Cedar Rapids, Iowa, office of W. M. Bell Company of Milwaukee, Wis., was a recent visitor at the home office in Milwaukee.

H. Hentz & Co., of New York City, a prominent grain brokerage firm on that market, has established an office in Chicago, Ill., through the Young Commission Company at 231 South La Salle Street.

R. W. Ball is manager for the consolidated firms and an active commission business will be carried on grain, stocks, provisions, cotton, coffee, sugar, etc.

Charles S. Moffit, identified with the grain trade of St. Louis, Mo., for many years past, sailed the middle of October for Europe and will spend the winter abroad.

The new grain and hay firm of Kittrell & Mizell has been organized at Nashville, Tenn., to succeed R. H. Worke & Co., one of the old established firms on that market.

Faroll Bros., grain and stock firm of Chicago, Ill., have opened an office at New York, N. Y. It is located at 74 Broadway and is under the management of William Rosenbach.

C. E. Higbie, formerly with Deutsch & Sickert Company of Milwaukee, Wis., is now managing the hay department of the Farmers Produce Company at Chippewa Falls, Wis.

The Jenkins Elevator Company, with offices in the Union Trust Company Building, Cleveland, Ohio, has leased the Baltimore & Ohio Railroad Company's elevator at Fairport, Ohio.

George S. Jackson, former head of the grain exporting firm of Barnes-Jackson Company, Inc., of Baltimore, Md., returned to that city late in September from a three months' trip to Europe.

W. J. Niergarth, who has been for a number of years manager of the cash wheat department of the Marshall Hall Grain Company, St. Louis, Mo., severed his connection with that firm on October 1.

C. B. Fox Company, Inc., grain reporters of New Orleans, La., recently removed their offices from the eleventh floor of the Carondelet Building to the eighth floor of the Canal-Commercial Bank Building.

R. D. Ward, associated with the grain and feed trade of Buffalo, N. Y., and the East, has joined R. S. Mosely in formation of the Mosely & Ward Company of Buffalo to conduct a general grain and feed business.

The Benson-Quinn Company of Minneapolis, Minn., has received corporate membership privileges in the Milwaukee Chamber of Commerce. The office in Milwaukee is in charge of James T. Mallon.

Elevator "B" of Bernhard, Stern & Sons, Inc., Milwaukee, Wis., has been designated as a registered storage house to a capacity of 400,000 bushels, under the rules of the Milwaukee Chamber of Commerce.

R. E. Lee of the Alberta-Pacific Grain Company, Ltd., Vancouver, B. C., was recently elected president of the Council of the Vancouver Grain Exchange, succeeding J. E. Hall of the Vancouver Milling & Grain Company, Ltd.

The St. Louis Merchants Exchange will celebrate the fiftieth anniversary of the erection of the exchange building on December 22 of this year. Improvements amounting to about \$75,000 have been made on the building recently.

Ira Hastings, head of the Hastings-Stout Company of Cairo, Ill., was back at the elevator the first part of October, after a three months' absence while he had charge of the operations of his canning factory at McClure, Ill.

A. J. Gallagher, who has been for a number of years identified with the feed jobbing business in Minneapolis, Minn., has joined the Newsome Feed & Grain Company of Pittsburgh, Pa., and will have charge of its new feed department.

L. Bartlett & Son Grain Company of Milwaukee, Wis., whose members have been active on that market for many years, has incorporated with a capital stock of \$30,000. Incorporators are H. H. Peterson, E. H. Heimke and H. E. Peterson.

The Superior Elevator at Buffalo, N. Y., was turned over to its new owners October 1. The officers of the Superior Elevator Company are E. M. Husted, president; Riley E. Pratt, vice-president. Pratt & Co., affiliated with the Superior Elevator Company, will continue their grain merchandising business as usual. The elevator was built in 1914

by Riley E. Pratt with a capacity of 1,500,000 bushels, and increased later to 2,500,000. The new elevator built by James Stewart & Co. of Chicago affords a capacity of 3,500,000 bushels.

Articles of incorporation were recently filed by Kaufman & Co., of 3946 S. Union Ave., Chicago, Ill., to conduct a grain business. J. W. Kaufman, P. A. Menle and W. A. Pelz are the incorporators.

Russell Payne, recently assistant manager of the Consolidated Elevators Company of Hutchinson, Kan., has been engaged as representative in Kansas for the Consolidated Flour Mills Company, taking the place of H. Lucas, who resigned to enter the brokerage business.

J. W. Taylor, manager of the Nye-Schneider-Jenks Grain Company, was recently appointed a member of the Board of Directors of the Omaha Grain Exchange, Omaha, Neb., succeeding C. G. Crittenden, who is managing the Nye-Schneider-Jenks interests in Lincoln, Neb.

Harry F. Gray, Federal grain supervisor at Milwaukee for several years past, has been transferred to Duluth and his place has been taken by J. T. Cavanagh. Mr. Cavanagh was stationed at Buffalo for about seven years and in the fall of 1924 had charge of the Norfolk, Va., district.

Pope & Eckhardt Company, grain commission merchants of Chicago, Ill., adorns its October calendar card with a reproduction of the painting of John Alden and Priscilla. The motto used is on the subject "Thrift" and says: "To be thrifty is to spend wisely for the present and save carefully for the future."

Henry M. Brouse, recently of Perin-Brouse-Skidmore Grain & Milling Company of Cincinnati, Ohio, and an ex-president of the Cincinnati Grain and Hay Exchange, has formed a connection with the Transit Milling Company of Cincinnati, and besides being purchasing agent for the mill has charge of its hay receiving and shipping business.

A bronze tablet commemorating the names of 248 members of the Kansas City Board of Trade and employes who fought in the World War, was hung recently on the north wall of the Board of Trade Building. Eight of the names were followed by the gold star signifying that the hero died for his country. The tablet is 4x6 feet and cost about \$800.

The Star Elevator Company of Cleveland, Ohio, whose former warehouse has been wrecked to make way for the new Union Station, has moved into the warehouse formerly occupied by the Theobald Milling Company at 2166 West Forty-third Street. It was remodeled throughout before its new tenant moved in. F. W. Blazy is manager of the Star Elevator Company.

The members of the St. Louis Merchants Exchange, St. Louis, Mo., recently approved a proposition authorizing the Board of Directors to appropriate \$15,000 for the purpose of helping erect a \$240,000 super-power broadcasting station with the understanding that the exchange will have a one-sixteenth interest in the project. It will be one of the largest stations in the country with 5,000 watt capacity.

On October 3 the elevation charge at the Port Covington Elevator, Baltimore, Md., on grain delivered to cars was restored to 1 cent a bushel with 20 days' storage included, instead of 10 days, as was in effect prior to June 3 of this year. When the delivery of grain to cars requires same to be bagged, the bagging, sewing and tying will be done by the elevator at a charge of 1 cent a bushel in addition to the regular elevation charge.

The grain and stock firm of William H. Colvin & Co., of Chicago, Ill., will be consolidated with Bernhard Schiffer & Co., New York stock brokers, under the name of Colvin & Co., on November 1. Mr. Colvin's present partner, Charles E. Williams will retire from the firm and Thomas D. Heed, formerly connected with the St. Louis & San Francisco Railroad will be admitted. The other members of the firm will be Abraham and Richard Bernhard, Edgar S. Baruc, Edgar B. Bernhard and Jan G. Van Breda Kolf.

SAN FRANCISCO'S BARLEY

Eight and one-half million bushels of barley, or 36 per cent of the 24,000,000 bushels exported from the United States in the six months ended June 30 last, left the country through the port of San Francisco, Calif. The United Kingdom took 76 per cent, or more than 6,500,000 bushels of the barley handled through this western port, with Belgium and Denmark ranking next as buyers of Pacific Coast barley.

The European barley crop is reported by the Government to be satisfactory on the whole. Early threshing results indicate a fairly good quality of grain although in parts of some countries the grain is badly stained. In the countries of the lower Danube, the grain is reported as of good average weight and fair quality. Czechoslovakia, which is one of the large brewing centers of Europe, reports a surplus of grain for export after supplying the quantity needed for home industries. The outlook for the barley crops in Argentina and Australia is good. These countries, however, normally produce only small quantities and are of little importance in the world trade. In India seeding prospects are favorable as a result of recent rains.

THE GRAIN MARKET SITUATION

By G. A. COLLIER

Bureau of Agricultural Economics U. S. Department of Agriculture

The increased supply of wheat in European countries and heavy marketing of Canadian Spring wheat have been reflected in a downward trend in the wheat market and prices at this writing (October 9) are about 15 cents lower than a month ago. The expected early movement of corn has weakened the market for that grain and prices have worked steadily lower, being about 13 cents lower than a month ago and nearly 40 cents lower than at the corresponding time last year. Oats prices have held steady because of an active demand and the relatively low price at which this grain has been selling.

The Spring wheat crop in the United States was estimated by the Department of Agriculture on October 1 at 282,000,000 bushels of which 67,000,000 bushels are Durum. Latest returns covering practically all the important wheat producing countries in the Northern Hemisphere outside of Russia indicate a crop about 225,000,000 bushels larger than last year. The Canadian crop, according to latest estimates, is 130,000,000 bushels larger than last year while the production in European countries outside of Russia will exceed the 1924 crop by nearly 270,000,000 bushels. The large supply of grain in Europe has greatly restricted the export demand from North America and it is becoming increasingly difficult to dispose of the heavy marketings of Spring wheat in Canada, which for the first five weeks of the crop movement were estimated at around 100,000,000 bushels.

The pressure in the Canadian markets has been reflected in the United States markets, particularly since some classes of Canadian wheat have declined to a point where there is a possibility of their being imported into the United States over the duty of 42 cents per bushel. These bearish influences, however, while placing heavy pressure upon domestic markets have been largely neutralized by the rapid absorption of cash supplies of wheat in the United States markets. The demand for flour has improved materially and reports indicate that flour bookings, particularly by the northwestern mills, have been the heaviest for some time. The active milling demand created for wheat by the increased flour demand has held premiums very firm for cash grain. At the first of October the average price for all classes and grades of wheat at the principal markets was 2 cents above the average price at these markets at the corresponding time last year, although future prices at Chicago were 7 cents lower.

Receipts of Spring wheat have continued fairly heavy but have been readily absorbed by the current demand on a basis 5-11 cents over the December price for 12 per cent protein No. 1 Dark North-

ern at Minneapolis; 12½ per cent protein No. 1 Dark Northern was quoted at this writing at 9-14 cents over and 13 per cent protein at 12-17 cents over.

The demand for Durum wheat has been much less active than for other classes of Spring wheat but has improved recently because of larger bookings of orders for Durum wheat flour. There is very little export demand for Durum wheat this year because of the large European crop but prices are on a sufficiently low basis that considerable quantities are being shipped to central western markets to be used by mixed feed manufacturers. The lower grades of Red Durum have sold in these markets at around \$1.05-1.10 per bushel. No. 1 Amber Durum was quoted at Minneapolis at the first of the month at \$1.12-1.27 per bushel.

Winter wheat markets except in the Pacific Northwest have become relatively firmer than the Spring wheat markets. The supply of desirable milling grades of both Hard and Soft Winter wheat is becoming smaller and mills have become active buyers of desirable milling grades. Premiums have reached new high levels on the crop year at several of the markets and lower grades have been in good demand. No. 2 Hard Winter wheat at Kansas City at this writing 12 per cent protein is quoted at 14 cents over the December price. 12½ per cent protein is selling at 15 cents premium and 13 per cent at 16 cents premium.

Soft Red Winter wheat has been in active demand and prices have held firm notwithstanding the decline in future prices, No. 2 Red Winter at Kansas City and St. Louis selling on a basis 10-12 cents higher than at the corresponding time last year. The supply of this wheat is limited in the central western markets and current receipts are usually below the current needs of the markets. Southern mills have continued active buyers although buying upon a hand to mouth basis.

The wheat markets on the Pacific Coast have not shared in the strength in the other cash wheat markets. There has been very little export demand and milling demand has also been limited because mills have been able to contract but very little export business on flour in that territory. Some parcel lots of grain have been sold to the Orient but Pacific Coast exporters have been unable to meet the competition of other countries in the European markets. There have been inquiries from central western markets for Soft White wheat on the Pacific Coast and while prices offered have been in line with current sales, holders generally were unwilling to sell expecting higher prices. Stocks in warehouses at country points are said to be large. Soft White wheat was quoted at Portland at the first of October at about 30 cents below the price of No. 2 Red Winter at Kansas City and St. Louis.

The expected early marketing of large quantities of corn has been the principal weakening factor in the corn market and has caused a further decline of about 15 cents in future prices during the past month. The weakness in the future market was a depressing factor in the cash market but higher prices for cattle and hogs stimulated the feeding demand and offerings of both old and new corn have fallen off materially at most of the markets. Cash prices have not followed the full decline in future prices because of light receipts and a fairly good demand, particularly in the southwestern markets. The crop is nearly all safe from frost and harvest is well advanced, and according to the October 1 forecast will amount to about 2,915,000,000 bushels. Some slight frost damage has occurred in some northeastern districts, but on the whole frost damage this year will be negligible. At the first of October cribbing had begun in the Central West.

The active demand for oats has held prices fairly steady but on a basis relatively low compared with other grains. Future prices have fluctuated somewhat with the changes in other grain futures but at this writing cash prices have only declined about 2 cents since a month ago, but are 13 cents lower than at the same time last year. Receipts have been fairly heavy and stocks at the markets are

even larger than the record stocks of last year. Large amounts have passed into consuming channels and exports since the first of July total about 15,000,000 bushels compared with only 500,000 bushels for the same period last year.

The rye market continued very weak but recent declines have been less pronounced than in the wheat market. The wide spread between wheat and rye prices has caused considerable buying of rye in the future markets, and this together with the light receipts has tended to strengthen the market. Current receipts have been well taken, mostly by the local milling and feed trade but there has been practically no export demand. Exports since the first of July have totaled only about 5,000,000 bushels compared with 11,000,000 bushels for this period last year. Stocks of rye in the markets have increased to nearly 9,000,000 bushels compared with 12,000,000 bushels for the corresponding time in 1924.

K. C. REDUCTION DENIED

A complaint of Kansas City grain dealers which sought to obtain reductions on grain and grain products moving via Kansas City from producing territory to destinations in the lower Mississippi Valley and the Southeast was dismissed recently by the Interstate Commerce Commission. Rates complained of were held to be reasonable and the Kansas City declaration that Omaha, Des Moines and St. Louis, other grain shipping centers, had an unjust advantage was not found to be justified.

In deciding the complaint the commission also ordered canceled a series of schedules which western railroads filed last year, altering rates on grain and grain products moving from Colorado, Kansas, Nebraska, Missouri and Oklahoma to the Ohio River and to southeastern points. The schedules had been suspended and though they involved both increases and reductions the commission said they had not been justified. The complaint was filed by the Kansas City Board of Trade, and supported by grain dealers generally in Kansas City.

TELEGRAPHIC ARGUMENT OVER
CANADIAN GRAIN RATES

Frank Oliver, a commissioner on the Canadian Railway Board, has issued a statement, defending the reductions in westbound wheat rates. The Board, on September 15, published tariffs embodying the reduced rates on grain and flour moving westward to the Pacific. They are the same rates, proportional to distance, as grain and flour would carry if moving eastward for export. On the following day, the chairman of the Board received this telegram from counsel for British Columbia:

"Grain rates announced here indicate maximum reduction one-half cent per hundred pounds. No reduction on Goose Lake line, but half cent increase at most points. If this is true, the railways have made a complete mockery of your last order."

In commenting on this, J. E. Dalrymple, vice-president of the Canadian National Railroad issued this statement:

"The Canadian National Railroad has published rates on grain and flour to Pacific ports for export strictly in accordance with the provisions of the Board of Railway Commissioners."

The official opinions expressed at Ottawa, Ont., are to the effect that the railroads have not departed from the provisions of the new rate orders, but that the confusion over the new tariffs is due to their newness.

PERSIA AND GRAIN

Bread is the principal food of the Persian, so the production of wheat and barley in Persia is of considerable importance. Wheat and barley production amounts to 3,000,000 short tons, with 42,000,000 acres planted to this crop each year. Over 2,700 tons are imported annually from India and Iraq, but about twice that amount is exported to Russia. There is plenty of land free for wheat and barley in Persia, but poor transportation facilities prevent commercial production. Besides wheat and barley, the principal crops of this country are: Beans, cotton, opium, tobacco and Alfalfa.

NEWS LETTERS

TOLEDO

S. M. BENDER CORRESPONDENT

THE sudden death of Ernest V. W. Kuehn, vice-president and assistant secretary of the Crumbaugh-Kuehn Company on Friday, October 9, was a severe shock to his fellow members of the Toledo Produce Exchange. He had been apparently in good health and reported at his office as usual when suddenly stricken with a heart attack and was dead before medical aid could be summoned. "Ernie", as he was familiarly known to a host of friends, started in the seed business at the age of 13 with W. H. Morehouse & Co. At 30, he was a member of the firm of Crumbaugh & Kuehn and had been with them continuously, with the exception of a year, when he toured the world in the interests of the International Bible Student's Association. He joined the Toledo Produce Exchange in 1889 and served in many capacities in that organization. He was active on the floor to the day of his death and his serious nature, coupled with a good sense of humor, made him respected by all. Many years ago his belief in higher prices carried his partner Ned Crumbaugh and himself to a comfortable fortune. Members of the Exchange regret the passing of another whose face was a familiar part of the daily gathering and whose sterling character was an example to younger men in the trade. He was 63 years old when he died and one of the few who could boast of 50 years in the seed trade.

George Dull of Deshler, Ohio is planning to build a 10,000-bushel elevator at Belmore, Ohio, to replace the one which burned there several years ago.

The West Jefferson Elevator at West Jefferson, Ohio, was totally destroyed by fire recently along with 12,000 bushels of wheat, 500 bushels of corn, 300 bushels of barley, and 5,000 bushels of oats. The building will soon be rebuilt.

The Leavenworth Milling Company of Leavenworth, Kan., has appointed J. M. Bour, Toledo flour broker, as its agent for this and surrounding territory.

Grain men in this market have asked that all publicity possible be given to the old and new style contracts now being traded in the December and May options, Chicago. They want to impress on all customers the importance of specifying whether the trade should be made in the old or new contracts. The old contracts call for delivery of certain kinds of wheat which in the new contracts are deliverable at a discount or not deliverable at all. Hence the reason for the variation of a cent or more in the price of the two. Unless orders specify, the broker executes them in the new style which will be in vogue after the thirty-first of December 1925, and the thirty-first of May 1926.

Henry Hirsch, senior member of the firm bearing his name, and wife returned this month from a three months' tour of western states and an ocean journey to Hawaii. During the course of his journey he visited most of the large western coast cities and stopped off on his return to study Red Clover conditions in Idaho. While in Hawaii he visited sugar cane and pineapple plantations and also saw an active volcano.

Phil Sayles, of the Smith-Sayles Grain Company, Columbus, Ohio, and his wife were visitors in Toledo during the past month.

Frank Good, manager of the Warren Elevator, Warren, Ind., called on friends in the grain trade while in Toledo recently.

L. G. Macomber, traffic commissioner of the Chamber of Commerce and the Toledo Produce Exchange resigned his position this month to accept an offer from the Detroit Chamber of Commerce in a similar capacity. Mr. Macomber has done much in the interests of Toledo shippers in recent years in the securing of better service and more favorable rates.

His ability to get results without the aid of the Interstate Commerce Commissions has won for him the title of the best known man in traffic matters in the Midwest. Railroad men were quick to sense the fairness of his arguments and it was rare indeed when Mac had to appeal to higher-ups for a decision. He has served as president of the Great Lakes Regional Advisory Board for two years and was one of the organizers of this movement to bring shippers and carriers closer together. His knowledge of grain rates has placed Toledo in the most favorable position enjoyed in many years. His new position is a distinct promotion and the grain men of Toledo join with other shippers in wishing him the best of luck in his new undertaking.

Wallace Applegate, secretary of the Mennel Milling Company in charge of the grain department, motored through the New England States and the White Mountains while on his vacation. He will attend the Grain Dealers National Association convention in Kansas City this month.

More than 200 Ohio farmers are trying for membership in the Ohio 100-bushel Corn Club this year.

No one in Ohio was able to qualify for membership last year but prospects now are for a record breaking number to win out this year. They must grow 1000 bushels on 10 acres to get in this honorary organization, sponsored by farm crop extension men at the state university. Fields are measured by field men and the corn weighed and tested for moisture content. Since the first tryouts in 1917 only 42 farmers have gained the distinction. The highest number in one year was in 1920 when 18 farmers grew a crop more than $2\frac{1}{2}$ times the state average of 40 bushels to the acre.

Grain inspections for the past month in this market were as follows: wheat, 273 cars, corn 95 cars, oats, 307 cars, rye, 10 cars and barley 3 cars. Total, 688 cars. By lake—Steamer *Northwind*, 114,000 bushels wheat. Steamer *Briton*, 60,000 bushels Spring wheat, 100,000 bushels wheat, and 112,940 bushels wheat. Steamer *LaSalle*, 48,500 bushels wheat, Steamer *Niagara*, 97,000 bushels No. 1 Northern wheat, Steamer *Schneider*, 534,000 bushels of oats.

The Toledo Produce Exchange Traffic Association held their first meeting of the season last month at the Toledo Yacht Club. The members and guests numbering about 25 were given the privileges of the club through the courtesy of Bob Himes of the Northwestern Elevator & Mill Company. Talks were given by several members and discussion of grain traffic problems took up the balance of the evening.

A large amount of Canadian grown wheat moving in bond has come to this market in the past month. Mills here grind it and sell the flour in bond to the export trade thus being enabled to compete with Canadian mills. Some western Hard Winter wheat has also been brought in by millers and grain dealers.

Among visitors in Toledo during the past month were J. F. Hall, general manager of the Marshall-Hall Milling Company, St. Louis, Mo., formerly a flour broker here; H. K. Humphrey, formerly with the Colton Bros. Company, millers at Bellefontaine, Ohio; and Oliver S. White, president of the Jackson Grain Company, Jackson, Mich., and the Jonesville Milling Company, Jonesville, Mich.

Jesse Young, corn and oats buyer for Southworth & Co., motored through the East and points in Canada during the past month calling on the trade in that territory. He reports liberal amounts of old corn bought by the trade there at prices much above the present market.

George D. Woodman and wife narrowly escaped death during the past month when their car ran off the end of a road on a foggy night. Both were severely cut and bruised but now well on the road to recovery. Mr. Woodman is manager of the branch office and elevator of the Rosenbaum Bros., Chicago.

Members of the Exchange sympathized with Mr. Southworth in the passing of his wife during the latter part of September. She had been an invalid for many years and her life was an inspiring example of patience and courage to those more fortunately blessed. Magnificent floral offerings were a tribute to her spirit and steadfastness.

INDIANAPOLIS

H. M. RUDEAUX CORRESPONDENT

NO FROST has been reported up to date, which is somewhat unusual, although 90 per cent of the corn is ready, and in fact the greater part of the crop is in the shock. Farmers are busy with their wheat and many of the fields are showing very good progress, as the recent rains have aided the crop very much.

H. E. Kinney, of the Kinney Grain Company, who has made some very extensive trips over the state, reports the wheat crop in good condition, with planting in full swing, and in most places the crop is showing very well on the field. Mr. Kinney says the weather is ideal for wheat, and many instances five days after planting the fields commence to look green. The planting of wheat has a great deal to do with the light movement of grain at present, but as soon as planting is over the movement will be normal again. Mr. Kinney attended several sales on his trip over the state, and found corn selling from 48 cents to 52 cents per bushel in the field, and says it looks like the farmer was figuring on 50 cent corn.

E. E. Allison of the Steinhart Grain Company rather questions the movement of new corn this month, owing to the abundance of rain, and open weather, and absence of frost. The weather has been ideal for the sowing of wheat and there is a question as to whether or not new corn will move much before the first of November, as the weather conditions are delaying it.

E. K. Sheppard of the Cleveland Grain Company has returned to his desk after spending two weeks at the Mooresville Sanitarium, Mooresville, Ind. Mr. Sheppard after having a minor operation performed is improving rapidly, and his many friends no doubt will be pleased to hear of his condition being improved. Eddie says, "It's hard to kill a good man." The present dullness is nothing more than the usual period of stagnation, which always makes it appearance just prior to the movement of new corn. The biggest and best corn crop ever is preparing to move, says Mr. Sheppard, but it is going to be a little late, owing to the weather conditions which are very much against an early movement.

O. P. Larimore, traveling representative of the Cleveland Grain Company, has been very much broken up over his wife's departure for California to spend the winter with her daughter, a resident of that state. Mrs. Larimore, has been traveling with her husband all during the past summer, and her sudden departure was quite a surprise. Some of "Larry's" friends, after seeing the change in him since his wife's departure, offered if necessary to pour oil upon the troubled waters, but Larry says let well enough alone, and quietly adds, "When the cat's away the mice are at play."

The Grain and Hay Club, composed only of members of the Indianapolis Board of Trade, has now started a bowling league which will meet every Tuesday evening, and bowl for recreation.

One of the recent events of the season was a chicken dinner given by the Indianapolis Grain and Hay Club, at the Ulen Country Club at Lebanon, Ind. After a good old fashioned chicken dinner, prizes were awarded the most proficient golfers and horse-shoe pitchers. Bert Boyd of the Bert Boyd Grain Company won first prize in gold contest. The affair was the usual midsummer outing, but never before was held at such an exclusive club, and it was really a rare privilege, but through the efforts of Mr. Boyd permission was granted by James McCann, the president of the club and a personal friend of Mr. Boyd's.

Bert Boyd just returned from a trip through Illinois and reports the corn crop very good, especially in the central part. However, the movement will not be as soon as predicted, and in fact the farmers have no particular incentive to move the crop. In several sections visited by Mr. Boyd he found last years oats still on hand.

Charles Riley, secretary of the Indiana Grain

Dealers Association, will leave sometime during the coming week with Mrs. Riley to attend the National Grain Dealers' convention at Kansas City. Mr. Riley will drive to St. Louis and visit his daughter a few days and go on to Kansas City by rail.

Local meetings of the Indiana Grain Dealers were held at Greenfield, Ind., on the ninth, Vincennes, Ind., on the ninth, Princeton on the ninth, and Kokomo on the fifth; there were quite a few Indianapolis grain men present at the meetings.

Lew Hill, of the Lew Hill Grain Company, will attend the National Grain Dealers' convention at Kansas City. Mr. Hill is the chairman of the Membership Committee of the association.

There is a very evident dullness felt in the feed business at present, and the leading feed men of the state claim it is due to the fact that there is so much excellent pasture, brought about by recent rains. The declining markets, too, have demoralized buyers.

The movement of hay is very light, and the adverse weather has prevented the loading in most parts of the state. There is a general complaint of unheaded Timothy being graded as grass, especially in the mixed grades of hay. The light movement is due to the fact that most farmers are busy planting wheat.

DULUTH

S. J. SCHULTE - CORRESPONDENT

ELEVATOR men at Duluth and Superior have for some time been treading upon ticklish ground as regards available elevator space. Grain from over the territory piled into the elevators in heavy volume during September, and with limited loadings out for eastern delivery operators found themselves with a limited margin of room left to take care of the inflow. For more than a week around the beginning of this month, all but three of the elevator companies were practically out of the market as regards picking up additional grain from the offerings on the tables. Stocks in the houses as on October 10 stood at 29,600,000 bushels, while their capacity, allowing for grade separations, is placed at 31,000,000 bushels. It was at the same time estimated that 3,000,000 bushels grain were on track at the terminals with 5,000 more cars enroute this way from the county. With the situation standing as it did, the Joint Regional Committee, and officials of the northwest railroads held a conference with members of the Duluth Board of Trade at which the situation was canvassed. Grain men and the elevator officials argued that it was late in the day to consider the placing of an embargo against further routings to this market as the situation had been adjusted through a falling off in the movement from the country, and the making of boat contracts for the moving of considerable grain to the East within the next two weeks. They drew attention to the fact that the movement which had been running at the rate of around 1,000 cars daily for some time had fallen off to less than 250 cars during the first week of October and the claim was made by handlers here that they would be in position to get around the corner nicely if receipts at the terminals were held down by the railroads to around 500 or 600 cars daily until they were able to get some of the spring wheat and other grains that were under contract to be shipped, moved out of the elevators. Members of Joint Terminal Committee and railroad officials recognize the position of the handling situation here and the conference adjourned without any restriction action being taken.

A Duluth Board of Trade change during the last month came in the selection of A. B. Marcy of the Continental Grain Company, Minneapolis. He took over the membership of Hamilton Cook.

John D. Shanahan of the Niagara Falls Milling market, complained that the high premiums asked for good milling wheat here had resulted in the loss of considerable business that would have been booked had the spot marked and the futures been more closely lined up.

A. R. McCaull of McCaull-Dinsmore Company, spent his time here during the last month in taking charge of handling the grain consigned to his house here. He entertains hopeful views regarding the outlook in the trade here. He assumes that progress will be made in getting a fair quantity of grain moved out of the elevators before the close of navigation.

Operators here enjoyed witnessing a meeting recently between George Barnum, Sr., a veteran grain man 77 years young, and R. H. Adams, president of the American Linseed Company, New York, who happened to be up this way to look over the flaxseed situation. The crowd was somewhat surprised

when Mr. Adams intimated that he had passed his sixty-fifth birthday as his general appearance would admit of his passing for at least a dozen years younger. Mr. Adams expressed himself optimistically when here regarding the general business outlook for the year in the linseed oil and other trades.

Millers have continued to be good buyers of Spring wheat on this market and premiums extending up to 25 cents above the Duluth December price were paid for No. 1 Dark Northern. Later the basis was cut three cents, with buyers for the mills showing a disposition to draw in their horns and claiming to have covered their needs for their early flour contracts. The records from day to day showed that the milling demand was largely for wheat running high in protein and buyers for the elevators did not fall over one another in their eagerness to stand in the gap to absorb the grain that had been passed up by the mills. A substantial proportion of smutty Spring wheat and Durum appeared on the tables and handlers were compelled to accept heavy discounts to get rid of it at all. As had been the case all along this season, Red Durum found a market for use in mixing with Ped Winter wheat for the purpose of bringing up its weight. The grain came along so fast however as to become a drag on the market, and its basis was cut to 12 cents under the December price.

Elevator officials at the Head of the Lakes are pinning their faith upon considerable vessel winter storage space being chartered to relieve the congestion that has been brought by the falling off in the export movement of both Spring and Durum wheat. The grain interests have been offering 5 and 5½ cents for space for Buffalo delivery to include winter storage but the shipping interests have been holding out for 6½ and 7 cents a bushel. In the emergency some storage space was taken recently at 7 cents. That charter was made by an elevator that was forced to make space to take care of a lot of grain that had been bought to go into its house. Current bookings of space for Buffalo delivery are being made at 2½ cents.

Holdings of Durum wheat in Duluth and Superior elevators now aggregate over 8,400,000 bushels and specialists in that market have been complaining of the failure of Italian importers to come into the market to any extent. The unexpectedly slow demand for Durum is attributed largely to Winnipeg offering that grain at from 4 to 5 cents under the Duluth price recently. The Durum production of the three western Canadian provinces this season is placed at 15,000,000 bushels, so that competition from that quarter has become something to be reckoned with. Up till the last two or three seasons when the Canadians took up growing it, the production of Durum was monopolized by Minnesota and North Dakota farmers.

Spring wheat running up well in protein has been in demand by millers so far this season and they have been paying liberal premiums for it. Regret has been expressed that the new state laboratory here for making protein tests in Spring wheat and of the oil content in flaxseed, was only ready to go into commission two weeks ago. In the interval tests were made by private interests and at the Wisconsin state laboratory at Superior. Officials of the state laboratory here are looking for a busy time up till the close of navigation in view of the quantity of wheat likely to be moved and the growing interest in making protein tests of grain coming in from districts that have so far been giving good accounts of themselves in that respect.

The state grain inspection department here in charge of R. W. Gray, chief deputy inspector, is being accorded full credit by members of the trade on this market for the promptness shown in making inspections during the September grain rush. Handlers were able to obtain their grades of the great bulk of the cars on track on the day of their arrival so that railroad demurrage charges were held down as a result. Mr. Gray pointed out that his staff found the substantial proportion of smutty Durum a difficult proposition to contend with this fall. Millers have been backing away from smutty Spring wheat and Durum and the elevators were compelled to penalize it heavily in order to feel safe in coming out even in handling it. The elevator scouring plants have been kept busy at times in taking care of the smutty grain coming in.

Operators here have been doing a good trade in oats this fall but latterly stocks have been piling up until at the present holdings of that grain in the elevators aggregate more than 8,200,000 bushels. The trade experienced a fairly good export demand for oats at times and they are generally regarded as good property at around their present price level. Fair investment buying has been shown in oats on this market recently in the belief that current prices are at an attractive level.

R. M. White of the White Grain Company expressed gratification over the picking up in demand for feeds from the dairying interests over this territory. That

branch of the business he found to be taking the place of buying of feeds for horses, which has been progressively diminishing during the last few years. His house is, he said, counting upon a heavy increase in its feeds trade during the fall and winter months. He noted a picking up in the call for screenings which are now to be had on this market at \$10 and under as compared with \$13 only a short time back.

Rye has been attracting more speculative interest here lately on the theory that its market is worth while looking into on account of the wide spread between it and Spring wheat. Operators figure that foreign demand for rye will pick up after the Russian bubble bursts as buyers of some of the European countries may be compelled to look this way to a greater extent to cover their requirements.

NEW YORK

C. K. TRAFTON - CORRESPONDENT

THE old hay, grain and feed jobbing and distributing firm of P. Lenane & Bros. has retired from business. This was one of the best known houses in the trade, having been started in 1872 by Patrick and Thomas Lenane. After their death the business was continued by Thos. Lenane, Jr., who finally decided to stop, finding trade unsatisfactory and having ample means. Maurice J. Dugan who had been with the concern as salesman and office manager for 18 years went with the old jobbing house of Carscallen & Cassidy of Jersey City, together with Frank J. O'Rourke who had been manager of the hay department for the Lenane concern for 50 years.

Walter A. Hopkins, an old member of the N. Y. Produce Exchange and for many years active in the export grain trade, particularly to the U. K., but recently retired, was welcomed back on 'Change this month having returned from a three months' visit to England. He reported that the wheat crop there was somewhat bigger with harvesting earlier than usual. Millers averred the quality was better than last year despite untimely rains just at harvest time.

F. G. Crowell, vice-president of the Baker Grain Company, Kansas City, spent a few days in this market visiting the firm's local representative.

Numerous friends and associates in the grain trade attended the funeral services for the late Chas. M. Macwatty which were held late in September at his former home in Upper Montclair, N. J. Mr. Macwatty, who was formerly active in the grain brokerage trade but retired owing to poor health, had been visiting in England during the summer and passed away in Liverpool on September 5. His body was brought home late in the month.

J. Morduch who is representative in this country of his father, D. Morduch of Helsingfors, Finland, has been spending his vacation in his old home but is expected back soon. He has sent notice to the concern's main representative on 'Change, C. H. Robinson, that the firm has closed a contract with the Soviet Government covering all the rye required in Finland.

J. E. Carney, identified with Bartlett Frazier Co. paid a short visit to old friends on 'Change here late in September on his return from Europe where he has been for three months with Mrs. Carney. He believed that political conditions were becoming more normal and notably in Russia. In fine, he found that reliable and conservative people were of the opinion that Soviet domination would disappear in two years.

B. Faroll of Faroll Bros., Chicago Board of Trade, was a visitor in the local grain market early in October chiefly to direct the opening of the firm's new office on Broadway for the transaction of a general brokerage business not only in grain, etc., but in bonds and stocks. The firm has joined the New York Stock Exchange.

Edwin O. Boerner who is one of the main traders in the Chicago grain market for Stein, Alstrin & Co., spent a few hours late last month with friends in the local market. He was accompanied by Con. Murphy of the same firm. P. J. Cummings, grain broker, was also in the party.

F. Leval, who is U. S. representative of the big grain importing house of Louis Dreyfus & Co., of Paris, was welcomed back on 'Change early this month after a three months' absence spent mainly in France and Switzerland.

Edgar F. Richards, one of the representatives on 'Change of Jackson Bros. & Co., was welcomed back on 'Change late last month after a brief absence because of the tragic death of his son, Samuel B., who

was only 21 years of age and a student at Yale. His untimely death was particularly sad and depressing being caused by an automobile smash-up in which he was the innocent victim.

Capel Tilt of the Tilt Grain Company, Ltd., commission merchants of Winnipeg, is an applicant for membership in the N. Y. Produce Exchange.

Every year since the war terminated, the markets have been flooded with a lot of propaganda anent the alleged liberal or large exportable surplus of wheat and other grain in Russia. This manifest trash was even circulated by so-called respectable members of the trade in western Europe for obviously selfish reasons. This season it was patent that there actually was a surplus, but as usual European importers exaggerated it to hold prices down. Before long the exports from that country fell off, partly because the quality was unsatisfactory, being inferior to grades specified.

Soon after the funeral of the late Chas. Macwatty, his former partner, John Flahive, who continued the brokerage business under the firm name of Flahive & Co., became so sick that it was necessary to send him to the hospital suffering from an attack of "nerves" and high blood pressure. It was said subsequently that he was improving and his condition was more satisfactory.

Robert Kjarsgaard, a grain exporter on the N. Y. Produce Exchange, has been suspended for a term of one year by the Board of Managers. According to his friends, who claim that he was innocent of any deliberate intention of wrong-doing, his difficulties were caused by failure to protect himself against short sales of wheat for export.

P. Paine, a specialist in rye on the Chicago Board of Trade for Logan & Bryan, was among the early October visitors on the N. Y. Produce Exchange.

Adolf Mayer of the Continental Grain Company, exporters, has applied for membership in the N. Y. Produce Exchange.

E. F. Richards, formerly active as a representative on the N. Y. Produce Exchange for Jackson Bros. & Co., has been selected as manager of the firm's local office to succeed Ernest L. Cleverly. The latter will devote his interest to the newly organized Cocoa Exchange.

John B. Yeager of J. B. Yeager & Co., well known receivers and distributors of grain, feed, etc., at Wilkesbarre, Pa., called on his many friends in the New York market recently, being on his way home by automobile from a vacation spent in Canada.

Joseph Stern, who acted as representative on the N. Y. Produce Exchange for Jackson Bros., for about three years and who recently severed that connection, has become associated in a similar capacity with the local office of Farroll Bros.

Raymond Schwab, connected with the big grain house of Louis Dreyfus & Co., is an applicant for membership in the N. Y. Produce Exchange.

CINCINNATI

HARRY A. KENNY - CORRESPONDENT

FOR 30 days things were exceptionally dull from a business standpoint for the hay and grain merchants of Cincinnati. Orders were exceedingly light and coupled with this were light receipts, which prevented expansion of activity. The cloud of uncertainty which hovers over the market is largely responsible for the attitude of caution displayed by buyers. None of them are inclined to buy for future requirements and as a result orders are to meet current needs. Prices fluctuated violently and this aggravated the situation. Receipts of grains and hay showed a sharp decline over the previous month. Shipments of mill feeds were larger, but the increase was not sufficient to change the status of the market. Prospects for the immediate future are not bright, but on the other hand, dealers are of the opinion that sufficient business will be forthcoming to prevent the market from sinking to lower levels. Business operations also have been retarded by the fact that buyers are inclined to believe that prevailing prices are unwarranted and therefore are ordering only what they actually need, which does not help for stability.

An agreement has been signed by the Cincinnati Grain & Hay Exchange with the United States Department of Commerce to co-operate with that bureau in the enforcement of the Pure Food Act with reference to raw grains. Directors of the Grain and Hay

Exchange at a recent meeting pledged the organization's support to the movement. A. M. Braum, president, announced that he would appoint a committee shortly to work hand in hand with the Federal authorities in enforcing the law.

Robert Early, first vice-president of the Cincinnati Grain & Hay Exchange and secretary and treasurer of the Early & Daniel Company, who recently underwent an operation at a local hospital, has been removed to his home and is on the road to recovery much to the delight of his many friends.

The engagement of Miss Eva Stewart of Covington, Ky., to D. W. Hopkins, popular member of the Cincinnati Grain & Hay Exchange and manager of the Mutual Commission Company was announced recently. The wedding will take place during the Christmas holidays.

Directors of the Cincinnati Grain & Hay Exchange have concluded negotiations for a renewal of the organization's lease on the hay plugging tracks of the Louisville & Nashville Railroad for another year because of its success in the past.

Fred Winkler, formerly connected with the Mutual Commission Company as manager of the hay department and now a successful real estate operator at Miami, Fla., visited the trade here during the past month.

Henry M. Brouse has resigned as secretary and treasurer of the Perin-Brouse-Skidmore Grain & Milling Company and has become affiliated with the Transit Milling Company of this city in the capacity of a purchasing agent. Mr. Brouse is well known in the grain and milling business throughout the Middle West and at the present time is treasurer of the Cincinnati Chamber of Commerce. In his new position Mr. Brouse will have general charge of all purchases, of the Transit Milling Company, which carries a full line of poultry, horse and mule feeds



HENRY M. BROUSE

per formulas and service furnished by S. T. Edwards & Co., Chicago. In addition a new department known as the hay receiving and shipping bureau will be opened under the guidance of Mr. Brouse. The Transit Milling Company is planning a campaign to enlarge the scope of its business and this will be under the supervision of Mr. Brouse, former president of the Cincinnati Grain & Hay Exchange and for many years a director of that organization.

Fire of unknown origin destroyed the grain elevator and warehouse of Edward G. Koehl, Reading, Ohio, during the past month. The loss was estimated at \$75,000 by Mr. Koehl, who said there was no insurance. The warehouse was about half filled with grain valued at \$16,000 and several thousands of dollars worth of machinery, had just been installed. Adjacent property, some of which was owned by the Koehl estate, was in danger. During the fire Mr. Koehl was cut over the left eye, when the nozzle of one of the hose lines got away from the volunteer firemen.

Razing of the Big Four Railroad Grain Elevator at Sixth and Harriet Streets, which for years was utilized by the Cleveland Grain & Milling Company is under way. The work is being done by a local concern. The site on which the elevator is located will be used for railroad terminal facilities.

Robert S. McCullough, president of the J. M. McCullough Sons Company, seed merchants, and employees of the company celebrated the seventieth birthday of Paul Villing, who has been with the firm for 44 years. To equip Mr. Villing for the proverbial "rainy day" a handsome umbrella suitably engraved was presented to him, also a handsome bouquet for Mrs. Villing. A remarkable feature in connection with this affair is the fact that the years of service of the employees averages 25 years.

MILWAUKEE

C. O. SKINROOD - CORRESPONDENT

MILWAUKEE grain men report a big slump in local receipts for the past month. It was generally known that the grain trade was very light but most of the dealers themselves were surprised when they saw the drastic declines expressed in the form of figures. The total supply of grain at the Milwaukee market for the month of September was only 3,482,000 bushels in round numbers as compared with no less than 10,124,000 bushels for the corresponding month of 1924. Here is a net loss of almost 7,000,000 bushels. The receipts this year were only about a third of those of last year. It should be said however, that Milwaukee had an enormous grain run in September last year and that the figures this year could scarcely be expected to come up to those of last year.

"It is the same old story at other markets," said Secretary Harry A. Plumb after he had studied the month's figures which his department had compiled. He declared that many of the other markets are also showing substantial declines in the marketing of grain. He said the same discrepancy is apparent at other markets such as Chicago, Kansas City, St. Louis and Omaha. All of these markets indicate, he said, that the grain movement is very light this year in the Southwest and to some extent in the Northwest.

"Minneapolis, Duluth and Winnipeg have been most prominent in grain receipts," said Mr. Plumb. "Most of the grain which usually is handled by market centers outside of the Northwest is held outside of terminal markets, or in country elevators, or on the farms. Perhaps the prices were not just right to encourage shipment from the farms of the country."

"October however, has started out very encouragingly and may make up for any shortcomings of the preceding month," he concluded.

A. A. Breed, chief inspector at the Milwaukee Chamber of Commerce, declared that the low prices are probably the biggest factor in holding back grain this year. He pointed to the fact that farmers who sold grain last year late in the season fared better than those who let go in the fall and that widespread propaganda has been circulated in the West urging the farmers to hang onto their grain with the idea that they would get far better prices after the usual fall marketing flood is out of the way.

As for oats, Mr. Breed reported that the crop is very large and that no doubt the grain is coming to market sooner or later. He believed that the oats price has been so low that there has been very little incentive to sell it. He declared, however, that large oats receipts are bound to come out before the season is over as the supply in the Milwaukee territory is very heavy. In regard to small corn receipts, Mr. Breed said there is a very widespread tendency now to feed the corn because of the high price of hogs. There is far more profit he maintained, in selling hogs now than in selling corn, so that it is easy to see why corn is being held back from sale now.

The oats quality this year, Mr. Breed stated, is very fine with most of the offerings weighing 32 to 34 pounds to the bushel. He declared that frequently in other years the weight of oats is around 28 pounds per bushel, far below the average of this season.

Another grain steamer from Europe flying the Norwegian flag has just made the Milwaukee port. It was the *Vesla* which came direct from Montreal. The *Vesla* is an ocean tramp which has been trading around the Great Lakes during the summer. The ship loaded grain in Milwaukee in one of its previous trips.

The Milwaukee Chamber of Commerce followed the move in other grain boards of the country and closed down entirely to celebrate Columbus Day on October 12. This has been the practice in Milwaukee for a number of years.

The stability of the money market is again indicated by the fact that the Chamber of Commerce has decided to stick to the 6 per cent rate on advances for the coming month.

Among the recent elections to membership in the Milwaukee Chamber of Commerce is that of Lewis E. McClellan. He is connected with the A. L. Goetzmann Company, a Minneapolis concern.

At a director's meeting of the Milwaukee Chamber of Commerce, it was decided to send Chief Inspector A. A. Breed and Chief Weigher M. H. Ladd to the meetings of the Grain Dealers National Association at Kansas City. Mr. Breed said there are no pressing problems before the grain inspection chiefs of the country, but that it is always helpful to attend these meetings and get the latest slant on problems of inspection which arise from day to day. He com-

mended especially the chance to get in touch with the Federal officials who are in charge of general inspection supervision.

Two former Milwaukee men have risen to high posts in the grain trade—John Kellogg and Eugene F. Havey, who have been promoted by the Armour Grain Company organization. Mr. Kellogg has been elected the president of the company. He is a brother of F. W. Kellogg of Milwaukee, who is president and treasurer of the Kellogg Seed Company.

Mr. Havey has been elected a vice-president of the Armour Grain Company. He is a graduate of Marquette University of Milwaukee and has been working for the Armour Grain concern for about 12 years. He is a brother of J. D. Havey of Milwaukee.

Recent reports from the state indicate that Wisconsin has just completed harvesting one of the finest grain crops in many years. Yields of Spring wheat were somewhat smaller per acre than a year ago but, due to the increased acreage, the total yield will be approximately 62 per cent better than in 1924.

Considering the thin stands early in the season, the rye crop also turned out remarkably well, with an average yield of about 15 bushels to the acre as compared with an average of 15.4 bushels for the last five years.

Only the hay crop in Wisconsin will be light this year. Estimates are made that the yield of hay was about 13 per cent below the average. The second crop of Alfalfa, however, was large. The recent rains have provided a big supply of fall grass and predictions are made that the cows of the state will be able to live for several weeks on this outdoor forage, so that all the hay and silage can be saved for the winter season.

The stock of oats at Milwaukee at the opening of the month was rather large with 1,658,000 bushels, according to the official report. The corn in store however, is down to very low figures, as expected, with approximately 189,000 bushels. The rye holdings are almost nominal with just 32,000 bushels. The wheat in store was 556,000 bushels, rather a high figure. The barley supply is only 227,000 bushels, which is not much considering that this is in the midst of the big marketing season. In general the small holdings all along the line are indicative of the light grain marketing which characterized the local trade in the month of September.

Fall plowing in Wisconsin is well advanced due to the large number of rains in recent weeks. The soil is better saturated with water than it has been for an entire year. With several rains each week farmers report that the foundation is being laid for a fine crop season next year.

The Benson Quinn Company of Minneapolis has asked for membership in the Milwaukee Chamber of Commerce. The application was granted and James T. Mallon will be in charge of the company's office in this city.

J. T. Cavanagh has been named the Federal grain supervisor at Milwaukee. Harry F. Gray, who has been supervisor in this market for a number of years, has been transferred to Duluth. Mr. Cavanagh has been stationed in Buffalo for about seven years and in the fall of 1924 was placed at Norfolk, Va.

MINNEAPOLIS

EDWIN O. WELDE CORRESPONDENT

THE Minneapolis Chamber of Commerce is functioning under amended rules which were adopted voluntarily by the members to meet standards for the safeguarding of the grain trade and the producers, which were suggested by William M. Jardine, secretary of the Department of Agriculture.

Three important changes have been made effective. They are:

Power to curb wild price swings.
Creation of a business conduct committee which will supervise the trading ethics of the members.
Permitting outside members to vote by mail.

"We have cleaned house," H. J. Moreton, president of the chamber, said Saturday. "By voluntary action of the members we have accomplished more in the adoption of these new rules than could have been accomplished through years of legislation. The chamber today is operating under regulations which the Department of Agriculture regarded as necessary for the safeguarding of the grain trade and the producers."

Mr. Moreton said he regarded the new rules as the most important changes in the conduct of the chamber in its history. The outstanding and most significant change was adoption of the business conduct committee rule, he said.

The changes, which place rigid safeguards around the operations of the chamber, were adopted simultaneously by the Minneapolis and Chicago chambers, the two foremost grain exchanges in America.

There is not enough Winter wheat moving to this

market to really establish prices. The Southwest has been the most consistent buyer. Nothing much is moving from Montana and most of the South Dakota and Minnesota crop has already been moved. Deliveries on local contracts during September totalled 464,000 bushels, compared with a total of 255,000 bushels delivered on September contracts a year ago.

The Minnesota Wheat Growers Association will handle 5,000,000 bushels of this year's wheat crop, tripling the record of the 1924 crop, officers of the association have predicted. The Association handled 1,700,000 bushels of wheat from the 1924 crop, completing settlement during August, the pool period closing June 30. So far receipts have been several times greater than early receipts last year, although many farmers have shown a tendency to hold their wheat. Gross sales from the 1924 crop were \$2,794,174, the association bulletin states, with expenses of \$244,582, and \$34,228 held in reserve.

Minneapolis Chamber of Commerce Association directors have passed a resolution requiring members to report all sales of grain, seeds, etc., as soon as practicable after the sales are made and not later than at the close of the session.

Henry J. Moreton, manager of the Bartlett Frazier Co., grain merchants, 401 Commerce Building, was elected president of the Minneapolis Chamber of Commerce at the annual election of officers and direc-



H. J. MORETON
President, Minneapolis Chamber of Commerce

tors. Mr. Moreton has served as vice-president of the chamber for the past year, and will take up the work as president October 12, succeeding Augustus L. Searle, retiring president.

John S. Pillsbury, vice-president of the Pillsbury Flour Mills Company, was elected second vice-president. The following five leading grain men were chosen as directors: J. C. Wyman, A. F. Owen, F. J. Seidl, E. E. Mitchell and George K. Labatt. Three members elected to serve on the Board of Arbitration were: Asher Howard, E. S. Ferguson and James Macrae. The new Board of Appeals includes C. G. Williams, J. A. Mull and P. C. Rutherford.

Minneapolis and northwest merchants, manufacturers and business men, have lined up in support of the campaign which the flour mills and grain companies, backed by railroads, Minneapolis Traffic Association and the Minnesota Railroad and Warehouse Commission, are waging to obtain reduction of the all-rail grain and flour rates and restore the supremacy of Minneapolis as a milling center and grain market. O. P. B. Jacobson, chairman of the Minnesota Railroad Commission, has planned a conference with commissioners from North and South Dakota, to take place in Washington this month. With the Soo Line and Minneapolis & St. Louis Railroad already on record as favoring reduction of all-rail rates, to such extent as will permit Minneapolis grain and flour again to compete in eastern consuming markets, the backing of another great northwest railway—the Milwaukee—in the fight for tariff revision, seems to be assured. No official statement has come from headquarters of the road but opinion in grain trade circles is unanimous that the Milwaukee will use its influence to bring about a change. The Milwaukee is one of the largest carriers of grain in the Northwest, moving thousands of cars annually from its stations in Minnesota, South Dakota, Iowa, Montana and Wisconsin and making deliveries to the three greatest western markets, Minneapolis, Chicago and Duluth. As compared with Buffalo, Kansas City wheat and flour are at a disadvantage of only 2 to 2½ cents per 100 pounds, on shipments to New York. Minneapolis, on the other hand, is handicapped to the extent of 15 cents on flour, 18 cents on

wheat and 16 cents on oats, corn, rye and barley. The reduction sought is 6 cents per 100 pounds on flour, wheat and coarse grains. This cut would leave Minneapolis at a disadvantage of about 9 cents per 100 weight, in all-rail shipments, as compared with the water-and-rail rate through the Twin Ports.

The Great Northern railroad reports that more than 14,000 cars of freight were loaded in September this year in excess of the number in September a year ago, the large increases being in shipments of ore, livestock and lumber, with a decrease in grain movement. Grain loadings for September as compared with the same month a year ago show a decrease of 3,168 cars. The early movement, however, accounted largely for the decrease in September.

John Manning, secretary of Bernhard Stern & Sons, Inc., Milwaukee, and M. W. Gackle of Gackle Bros., Kulm, N. D., have purchased memberships in the Minneapolis Chamber of Commerce.

The State Department of Weights and Measures will be moved from St. Paul to Minneapolis under the new arrangement, consolidating it with the track and hopper scale department.

A. J. Gallagher, formerly in the feed jobbing business in Minneapolis, has become associated with the Newsome Feed & Grain Company, Pittsburgh, and will leave soon to take up his new duties.

Moses Cohen, president of the Canada & Atlantic Grain Export Company, New York and Winnipeg, and George Cathcart of the George Cathcart Company, grain exporters, Winnipeg, were recent Minneapolis visitors.

The Medford, Minn., elevator owned and operated by R. E. Jones & Co., Wabasha, Minn., and under the management of J. D. Adams, has been purchased by the King Midas Milling Company, Minneapolis. T. E. Lahart will be manager.

Reynolds Huseby, cash grain department of the Pillsbury Flour Mills Company, is in Winnipeg looking over the wheat situation there.

The Albert Dickinson Company, seed merchants, are at present taking bids for the construction of a 7-story warehouse and several tanks to cost about \$300,000 at 24th Avenue S. E.

An elevator at Omer, Minn., owned by the Monarch Elevator Company, Minneapolis, was destroyed by fire recently. The elevator had a capacity of 30,000 bushels.

The Daniels Midland Company has awarded the contract for the construction of four concrete grain tanks at 6th Street and Malcolm Avenue S. E. at a cost of \$100,000.

The Twin City Trading Company, 106 Chamber of Commerce Building, has awarded the contract for the construction of a grain tank at 2500 Elm Street S. E.

ST. LOUIS

J. O. MORRISSEY CORRESPONDENT

THE receipts of wheat in St. Louis have been light for the past month particularly of the choice grades of Red wheat. These choice cars have brought good premiums and there have been but few days that the receipts were not readily absorbed. The way premiums have advanced in face of the great declines in the option markets is sufficient proof that Red wheat has not gone begging here. Today Red wheat that is No. 2 Red sold at 31 cents over the St. Louis December option, which is the highest premiums on the crop and old timers in the grain business say that they cannot remember the time when the premiums were this high over the December option. Premiums did sell higher in the spring of this year, however. The high for No. 2 Red wheat thus far on the crop has been about \$1.81 and sales were made the end of this week at \$1.75 for good twos. The St. Louis market has been out of line on Soft wheat for some time and it was figured yesterday that wheat can be purchased in the East and brought to St. Louis freight paid, on a lower basis than the present price in St. Louis. White wheat from the Pacific Coast has been selling here and flour from the Pacific Coast is being offered this way at figures which local mills cannot touch. There have been some good sales of Hard wheat here by elevators to mills as the millers have enjoyed reasonably good business on the market in wheat prices. These sales are slowing up just at the minute and it is reported that it will take a stimulating wheat market to again awaken buying interest which directly affects Hard wheat sales here.

Millfeed sales have been slow through the entire month with the southwestern mills receiving spirited

competition from northwestern millers. There has not been a real active demand for either bran or shorts with the result that the demand for immediate shipment feeds has been almost nil. The principal source of interest in the feed market has been from a speculative jobbing source, but this interest has resulted in a sort of deadlock with the millers not anxious if at all willing to sell for deferred shipment and the jobbers wanting only the feeds for November and December shipment. This has been the cause of the dull condition.

But a small quantity of oats has been bought the past few days to arrive, the country seeming to prefer to send their holdings in on consignment. Receipts, have held up real well and the first part of this week the shipping buyers were very active but the last three or four days they have been complaining about not having orders to fill and sales have incidentally slowed up. This has further resulted in local competition within the trade for the larger part of the receipts. No. 3 Whites have been selling around the Chicago December price to about a half over and No. 2 Whites have been bringing premiums from one half to one cent over the No. 3 Whites.

The demand for seed oats has fallen off materially but fortunately the receipts of the Red variety have not amounted to very much recently. Good rust proof oats have been bringing 47-48 cents.

The latter part of last month the receipts of corn in St. Louis were liberal which resulted in a set back for the premiums, but at the present the receipts have experienced a let up and the demand has been sufficient to take care of the small receipts. Of course there apparently is but little old corn back in the country and it is not expected that the receipts will be much for the present. It is reported that the country buying trade seems to feel that the price of corn is low enough for the present and there seems to be an awakened interest in the prices with the local trade getting better inquiry. Export business on corn is quiet; however there is a fair inquiry from export sources.

A large delegation of St. Louis grain men, more than 125, left in a special train over the Burlington Monday for Kansas City to attend the Grain Dealers' convention. The St. Louis men, through Tilghman Bryant, local grain handler, chartered a special train and were joined by a large number from the East and South.

A superpower radio station, to be known as the "Voice of St. Louis," will be built just outside of St. Louis with the main studio in St. Louis proper. The St. Louis Merchants' Exchange is a participant in this project and the cash and option markets will be broadcast at frequent intervals during the session each day and a general market summary will be broadcast at the close and again later in the afternoon. The super station will have a capacity of 5000 watts, which is just 10 times the power of the present station the Exchange is using. The station will be powerful enough to reach the entire country under any conditions and will prove a great help to country dealers and farmers. One microphone will be placed directly over the pit and there will also be a sound proof studio elsewhere in the Exchange Building.

A. J. Rogers, manager of the St. Louis office of James E. Bennett Company, spent a few days in Kansas City this week.

The St. Louis Merchants Exchange was closed Monday, October 12, Columbus day.

J. M. Chilton of the Hall Baker Grain Company St. Louis office was a visitor in Kansas City last week.

John Sanford, superintendent of the Public Elevator, New Orleans, and John Sudcliffe of the Canal Commercial Bank, New Orleans, spent a day on the St. Louis Exchange enroute to Kansas City.

A. R. Benson of the Lowell Hoyt Company, St. Louis, is an applicant for membership in the St. Louis Merchants Exchange. Stanley Christopher of the B. C. Christopher Grain Company, Kansas City, is also an applicant.

John Zulzer representing a seed company of Hamburg, Germany, is a visitor in St. Louis.

Jos. Hattersly of J. Hattersly & Co. spent a few days in Chicago.

Harry Langenberg of Langenberg Bros. Grain Company has returned from an extended trip through Europe.

Charles Ripplin, secretary-traffic commissioner of the St. Louis Merchants Exchange, has returned from a month's vacation in New Mexico.

Edward P. Costello, assistant traffic commissioner of the Merchants Exchange, advises that the Inter-

state Commerce Commission found that rates on grain to Texas from Des Moines were unreasonable and discriminated against Des Moines in favor of Omaha and Council Bluffs. It was ordered that the rates be adjusted immediately.

Richard Uhlmann of the Uhlmann Grain Company, has been elected a member of the St. Louis Merchants Exchange.

James Lugenbeel, for a number of years assistant inspector of flour, has been appointed to acting chief inspector.

Woodson K. Woods, president, and Charles Ripplin, secretary, of the Merchants Exchange, have been appointed delegates to the National Grain Dealers Association at Kansas City.

On October 20 the Merchants Exchange will vote on a proposition to make local weights a rule in this market.

Toward the end of the month a vote will be taken to adopt rules by the Merchants Exchange which will be similar to those governing trading adopted by Chicago.

BUFFALO

ELMER M. HILL CORRESPONDENT

FULLY 300 representatives of eastern grain interests, elevator operators and Great Lakes steamship men were guests of the Marine Elevator Company at a dinner which marked the formal opening of the company's new 2,000,000-bushel addition to the grain storage facilities of Buffalo at the foot of Childs Street October 10. Harold L. Abel, president of the company, and grandson of the founder of the business, was host to the visitors together with directors of the company.

Among those present were Gerald Fagan, vice-president of the Marine Transit Company of New York City; George C. Royes, general manager of the Canadian Wheat Producers' Association of New York City; Frank Slade, general manager of the Transmarine Corporation of Buffalo; F. J. Murphy, New York Canal & Great Lakes Corporation of Buffalo; John T. Kelly, Oglebay Norton Company of Cleveland; Moses Cohen, president of the Cana-Atlantic Grain Export Company of New York; Thomas Kane, general agent of the Erie Railroad of New York City; G. N. Whelpley, foreign freight agent of the Lehigh Valley Railroad at New York City; A. J. Bernbreuer, general agent of the Pennsylvania Railroad at New York; James H. Bowne of the Kleisch Grain Company, of New York; J. W. Hatch of Loverich & Hatch Company, of New York; B. F. Schwartz of the B. F. Schwartz Company, of New York; J. G. Edgerton of the American Elevator Company, of New York; Henry Zimmer of M. D. Moore & Co., of New York; Laurel Duval, chief inspector of the New York Products Exchange of New York; George Faroll of Faroll Bros., of Chicago.

The Marine Elevator Company was represented by its officers, Harold L. Abel, president; Henry S. Norris, vice-president; E. J. Nolan, secretary and treasurer; and these members of the Board of Directors: R. J. H. Hutton, William A. Strong, John P. Meagher, E. J. Nolan and Edward L. Jellinek.

In reviewing the history of the Marine Elevator Company, President Abel said his grandfather, William H. Abel, built the first unit of the elevator in 1881. It had a storage capacity of 150,000 bushels. In 1894 an addition holding 500,000 bushels was built. In 1916 the company purchased the site upon which the new unit has been constructed. There is now being planned another addition of 1,000,000 bushels' capacity, bringing the total storage capacity of the elevator up to 5,000,000 bushels. Last season the Marine Elevator handled upwards of 9,000,000 bushels of grain. Mr. Abel complimented the contractors, James Stewart & Co., for their part in the development program; also the A. E. Baxter Engineering Company, of Buffalo; and the Buffalo Trust Company, George F. Rand, its president, and Schoellkopf, Hutton & Pomeroy which underwrote the bond issue and furnished the money necessary to finance the new structure.

After luncheon in the new elevator and the friendly speeches of Mayer Frank X. Schwab of Buffalo and other guests, the visitors saw the first grain taken into the new elevator. When the party reached the roof, Ham Gardner and Jack Pritchard, professional golfers, competer in driving golf balls off the 194-foot tower.

In connection with the recent sale of the Superior Grain Elevator to a syndicate headed by Levi S. Chapman of Syracuse, Riley E. Pratt, vice-president of the Superior Elevator Company, told the writer that Charles H. Williamson of the Williamson Forwarding Company, who now has charge of the

forwarding business of the company, will continue to handle this phase of the business as heretofore and in addition will act as general manager of the property. E. M. Hull, who will continue as superintendent, has been associated with the Superior since 1914. Mr. Pratt will head the firm of Pratt & Co., and will continue its regular grain merchandising business as usual. The Superior Elevator has a frontage of 2,000 feet on the harbor and will have a capacity of 3,500,000 bushels when the new 1,000,000-bushel addition now under construction is finished. The Chapman interests of Syracuse now control two other grain elevators in the Buffalo harbor—the Dakota and Great Eastern. The combined storage capacity of the three plants is 8,200,000 bushels.

With the approach of the end of the season on the New York State Barge Canal, boat owners are getting higher rates for their cargo space on eastbound grain shipments. The prevailing prices early in October were quoted as follows: Wheat, 6 cents; corn 5½ cents; oats, 4 cents; barley 4½ cents; flax, 6½ cents. Early in the month many boats were tied up at their docks in Buffalo because of the failure of a large block of Canadian grain from Fort William and Port Arthur to arrive. Many boat owners had made plans to move this grain.

Gilbert F. Forsyth, president and treasurer of the Chippewa Feed & Grain Company, in the Chamber of Commerce, is under arrest on a charge of appropriating \$17,812, alleged to belong to the George J. Meyer Malting Company. George J. Meyer, treasurer of the malting company, is complainant in the action against Forsyth.

Chartering in the Great Lakes grain trade is expected to reach the maximum stage within the next week or 10 days. About the middle of the month the rate was boosted and some tonnage for late October loading was lined up at the higher figure. Medium size boats are getting 2½ cents from Fort William to Buffalo and a quarter cent under this is being paid to the largest grain carriers. Boats from Duluth to Georgian Bay are getting 2 cents and corn from South Chicago to Buffalo brings boat owners 2½ cents. Storage capacity is not being offered very freely at the current rates. Some vessels have been lined up from Duluth or Fort William to hold at Buffalo for 5½ cents.

A substantial increase was made in grain stocks at the Canadian Head of the Lakes in the week ending October 10, when Fort William and Port Arthur received 21,231,406 bushels and shipments were only 13,966,926 bushels. Grain stocks at the Head of the Lakes have increased steadily in the last few weeks despite heavy shipments and some elevators on Lake Superior are holding more grain than they were a year ago at this time. At the close of the week ending October 10, Fort William and Port Arthur were holding 25,443,759 bushels while at the same time elevators at Duluth and Superior were holding 28,130,540 bushels, a total of 53,574,308 bushels.

GRAIN NEWS FROM BOSTON

By L. C. BREED

Widespread interest was manifested in the eastern class rate investigation that recently was conducted in Boston by the Interstate Commerce Commission. The sessions were in charge of Commissioner Joseph B. Eastman, and were held at the new Chamber of Commerce Building. These hearings were mainly for New England territory, and representatives of various industries were present and combatted the rate schedule that was proposed by the carriers.

An effort recently was made by the Boston Chamber of Commerce to aid in reviving interest in the project to have a modern grain elevator and storage warehouse established at the canal terminal in Troy, N. Y. Frank L. Davis, manager of the Maritime Department, and two members of the Boston Grain and Flour Exchange went to Albany and attended a meeting there which had this project under consideration.

Some persons have suggested to the street commissioners that the City of Boston take the outer end of the triangle in front of the Grain and Flour Exchange—a grass plot—and convert it into a part of India Square to help remedy traffic congestion. It will, if adopted, result in another suggestion later on, to take the entire triangle space, with the result that the hay crop of the state will be reduced and the older members of the Exchange will miss a familiar sight.

Though of late there has not been much grain exported through this port, not long since one steamer left with 333,000 bushels for Rotterdam and another 225,000 bushels for Danzig.

Boston seed dealers report having quite a good demand for fall grain for seeding purposes. They are awaiting with interest the final reports of western harvests on various lines of seed, and expect to hear of shortage in some varieties.

Stocks of foodstuffs in dealers' hands are light. The trade is holding off, looking for lower prices, which

they expect will follow with a larger output of flour by the mills. Canadian millfeed is not yet being offered to much extent, but will soon be a factor in the market. The quality of the Canadian averages somewhat better than the western, especially in case of bran.

Receipts of hay are moderate, but the demand is generally ruling quiet. Top grade hay is in light supply and held steady. Lower grades, as usual, are more plentiful and harder to move. Receipts of hay during the month of September, 277 cars; straw, 16 cars.

Stocks of grain in local elevators, September 30, were as follows: Wheat, 91,939 bushels; corn, 593 bushels; oats, 68,370 bushels; rye, 2,297 bushels; barley, 1,027 bushels.

Receipts of grain at Boston during the month of September were as follows:

Wheat, 12,450 bushels; corn, 2,275 bushels; oats, 125,925 bushels; rye, 1,325 bushels; barley, 26,100 bushels; malt, 5,050 bushels; millfeed, 320 tons; cornmeal 435 barrels; oatmeal, 3,125 cases.

Among the visitors to the Exchange during the month of September outside of New England, were the following: Frank W. Payne, Cocoa, Fla.; M. H. Davis, Little Rock, Ark.; R. P. Waldon, New York City; R. C. Baldwin, Bloomington, Ill.; N. W. Patterson, Fort William, Ont.; Cameron Leverich, New York City; Charles Hayward, Liverpool, England; A. M. Connors, Omaha, Neb.; Edward Knighton, Philadelphia, Pa.; J. B. Light, Avon, N. Y.; J. W. Young, Toledo, Ohio; Paul E. Rutherford, Minneapolis, Minn.; Harry De Catur, St. Louis, Mo.

RECEIPTS AND SHIPMENTS

Following are the receipts and shipments of grain, etc., at the leading terminal markets in the United States for September:

BALTIMORE—Reported by Jas. B. Hessong, secretary of the Chamber of Commerce:

	1925	1924	1925	1924
Wheat, bus.	897,686	2,281,383	2,246,126	1,335,315
Corn, bus.	26,865	34,246	.....	.....
Oats, bus.	87,809	664,057	40,000	290,513
Barley, bus.	345,535	428,135	391,667	179,868
Rye, bus.	9,448	601,876	8,157	236,937
Malt, bus.	4,535	13,203	.....	15,117
Millfeed, tons	1,304	1,030	.....	.....
Straw, tons.	100	166	.....	.....
Hay, tons.	899	997	.....	.....
Flour, bbls.	92,641	200,618	25,682	81,610

CAIRO—Reported by M. C. Culp, chief grain inspector and weighmaster of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	.....	622,739	.....	361,312
Corn, bus.	19,509	42,807	33,969	45,899
Oats, bus.	978,775	1,092,378	894,371	1,075,273

CHICAGO—Reported by J. J. Fones, secretary of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	2,853,000	15,056,000	1,129,000	16,269,000
Corn, bus.	5,887,000	16,674,000	3,430,000	4,207,000
Oats, bus.	3,073,000	16,092,000	4,230,000	4,512,000
Barley, bus.	1,166,000	1,748,000	194,000	732,000
Rye, bus.	319,000	648,000	167,000	323,000
Timothy Seed, lbs.	7,599,000	12,714,000	4,021,000	7,544,000
Clover Seed, lbs.	898,000	346,000	77,000	213,000
Other Grass Seed, lbs.	3,903,000	2,594,000	948,000	2,026,000
Flax Seed, bus.	208,000	137,000	1,000	9,000
Hay, tons.	16,068	17,286	510	690
Flour, bbls.	1,089,000	1,123,000	754,000	771,000

CINCINNATI—Reported by D. J. Schuh, executive secretary of the Cincinnati Grain & Hay Exchange:

	1925	1924	1925	1924
Wheat, bus.	424,200	620,200	338,800	371,000
Corn, Shelled, bus.	368,200	413,000	.....	.....
Corn, Ear, bus.	16,000	7,000	243,600	236,600
Oats, bus.	278,000	454,000	236,000	404,000
Barley, bus.	9,300	4,200	.....	.....
Rye, bus.	49,000	81,200	26,600	67,200
Hay, tons.	4,928	9,834	.....	.....

DETROIT—Reported by C. B. Drouillard, secretary of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	126,000	363,000	.....	5,000
Corn, bus.	35,000	60,000	4,000	4,000
Oats, bus.	116,000	441,000	6,000	28
Barley, bus.	42,000	4,000	.....	.....
Rye, bus.	25,000	42,000	.....	5,000

DULUTH—Reported by Chas. F. MacDonald, secretary of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	22,899,794	16,513,160	12,229,197	9,904,306
Corn, bus.	40,908	153,841	34,637	331,000
Oats, bus.	8,531,419	9,411,816	4,456,956	2,796,718
Barley, bus.	7,195,859	5,498,027	6,716,109	4,366,994
Rye, bus.	3,586,053	11,228,437	1,606,946	10,611,194
Flax Seed, bus.	2,408,989	1,727,806	941,501	1,018,730
Flour, bbls.	707,230	726,635	812,920	882,565

FORT WILLIAM, ONT.—Reported by E. A. Ursell, Statistician of the Board of Grain Commissioners for Canada:

	1925	1924	1925	1924
Wheat, bus.	45,688,426	7,077,057	30,340,642	8,805,224
Corn, bus.	1,864	1,568	1,864	1,568
Oats, bus.	2,370,007	1,207,819	1,609,671	3,170,079
Barley, bus.	9,972,884	3,015,050	6,179,750	1,981,119
Rye, bus.	1,477,549	1,576,041	558,250	1,837,362
Flax Seed, bus.	134,259	10,761	237,138	24,441

INDIANAPOLIS—Reported by Wm. H. Howard, secretary of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	294,000	502,000	88,000	220,000
Corn, bus.	893,000	1,312,000	623,000	945,000
Oats, bus.	742,000	1,404,000	540,000	1,430,000
Rye, bus.	1,400	76,000	14,400	26,000

KANSAS CITY—Reported by W. R. Scott, secretary of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	4,585,950	11,654,550	2,497,500	10,301,850
Corn, bus.	695,000	675,000	881,250	541,250
Oats, bus.	1,876,800	1,035,300	519,000	291,000
Barley, bus.	57,000	54,000	39,000	64,400
Rye, bus.	47,300	57,200	33,000	44,000
Brn, tons.	3,740	7,920	28,100	22,400
Kaffir Corn, bus.	68,200	62,700	147,000	160,600
Hay, tons.	21,564	27,732	10,848	8,400
Flour, bbls.	72,475	67,925	587,600	622,700

LOS ANGELES—Reported by secretary of the Grain Exchange:

	1925	1924	1925	1924
Wheat, cars.	220	198	.....	.....
Corn, cars.	167	95	.....	.....
Oats, cars.	76	44	.....	.....
Barley, cars.	145	150	.....	.....
Rye, cars.	1	.....	.....	.....
Kaffir Corn, carloads	4	4	.....	.....
Flour, cars.	174	232	.....	.....

MILWAUKEE—Reported by H. A. Plumb, secretary of the Chamber of Commerce:

	1925	1924	1925	1924
Wheat, bus.	456,400	2,234,400	45,216	2,240,542
Corn, bus.	487,930	1,048,440	342,160	604,943
Oats, bus.	1,426,230	4,155,800	977,037	1,814,407
Barley, bus.	1,051,380	2,331,000	181,350	938,184
Rye, bus.	60,845	349,505	43,847	502,160

MINNEAPOLIS—Reported by G. W. Maschke, statistician of the Chamber of Commerce:

	1925	1924	1925	1924
Wheat, bus.	20,619,250	19,947,280	7,752,070	8,152,870
Corn, bus.	267,660	730,810	222,650	304,270
Oats, bus.	6,399,760	12,789,580	4,469,860	1,151,660
Barley, bus.	5,230,710	3,912,530	3,243,690	3,037,640
Rye, bus.	2,311,940	1,577,460	443,690	4,526,670
Flax Seed, bus.	330,670	2,264,720	1,007,320	675,310
Hay, tons.	1,344	1,621	74	125
Flour, bbls.	77,893	41,995	1,342,195	1,152,871

MONTREAL, QUEBEC—Reported by J. Stanley Cook, Secretary of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	11,709,602	14,559,804	8,676,939	14,894,665
Corn, bus.	183,175	37,865	128,547	2,032
Oats, bus.	6,152,756	1,846,306	4,954,393	1,211,708
Barley, bus.	5,558,257	478,753	2,783,733	556,720
Rye, bus.	1,008,748	1,970,240	952,907	1,743,478
Flax Seed, bus.	145,258	25,000	.....	.....
Hay, bales.	115,936	76,226	48,201	15,088
Flour, bbls.	356,337	267,768	399,194	435,685

NEW ORLEANS—Reported by S. P. Fears, chief grain inspector and weighmaster of the Board of Trade, Ltd.:

	1925	1924	1925	1924
Wheat, bus.	5,559,000	7,518,300	4,174,000	5,318,000
Corn, bus.	373,500	591,605	10,000	3,000
Oats, bus.	1,948,000	3,439,000	1,220,000	1,066,000
Barley, bus.	1,729,100	2,688,000	1,365,000	1,480,000
Rye, bus.	296,000	3,086,500	289,000	240,000
Timothy Seed, lbs.	120	.....	3,854	709
Clover Seed, lbs.	156	.....	3,457	2,315
Hay, tons.	6,499	6,714	378	3,518
Flour, bbls.	1,048,091	1,196,000	315,000	656,000

NEW YORK CITY—Reported by H. Heinzer, statistician of the Produce Exchange:

	1925	1924	1925	1924
Wheat, bus.	5,559,000	7,518,300	4,174,000	5,318,000
Corn, bus.	373,500	591,605	10,000	3,000
Oats, bus.	1,948,000	3,439,000	1,220,000	1,066,000
Barley, bus.	1,729,100	2,688,000	1,365,000	1,480,000
Rye, bus.	296,000	3,086,500	289,000	240,000
Timothy Seed, lbs.	120	.....	3,854	709
Clover Seed, lbs.	156	.....	3,457	2,315
Hay, tons.	6,499	6,714	378	3,518
Flour, bbls.	1,048,091	1,196,000	315,000	656,000

OMAHA—Reported by F. P. Manchester, secretary of the Grain Exchange:

	1925	1924	1925	1924
Wheat, bus.	1,975,400	5,136,600	2,114,000	4,998,000
Corn, bus.	868,000	2,102,800	851,200	2,212,800
Oats, bus.	1,872,000	2,380,000	1,478,000	1,208,000
Barley, bus.	97,600	139,200	124,800	150,400
Rye, bus.	77,000	165,200	144,200	172,200

PEORIA—Reported by John R. Lofgren, secretary of the Board of Trade:

	1925	1924	1925	1924
Wheat, bus.	285,600	308,950	274,800	312,900
Corn, bus.	1,537,300	1,583,800	885,200	918,150
Oats, bus.	637,200	1,392,200	545,800	677,050
Barley, bus.	135,000	72,800	58,800	50,400
Rye, bus.	9,000	33,600	4,800	33,600

SAN FRANCISCO—Reported by J. J. Sullivan, Chief Inspector-Secretary of the Chamber of Commerce:

	1925	1924	1925	1924
Wheat, tons.	7,134	8,760	.....	.....
Corn, tons.	2,346	10,090	.....	.....
Oats, tons.	1,365	1,277	.....	.....
Barley, tons.	33,807	32,871	.....	.....
Brn, tons.	467	442	.....	.....
Beans, sacks.	30,221	49,438	.....	.....
Foreign, sks.	2,238	32,051	.....	.....
Hay, tons.	5,352	3,688	.....	.....

PHILADELPHIA—Reported by A. B. Clemmer, secretary of the Commercial Exchange:

	1925	1924	1925	1924
Wheat, bus.	1,228,923	2,560,715	1,187,597	2,068,535
Corn, bus.	26,781	35,270	.....	.....
Oats, bus.	647,806	689,697	388,764	371,881
Barley, bus.	15,340	132,252	16,666	132,252
Rye, bus.	1,048	37,112	319,145	.....
Flour, bbls.	189,369	249,118	11,960	49,920

ST. LOUIS—Reported by Charles Rippin, secretary of the Merchants Exchange:

	1925	1924	1925	1924
Wheat, bus.	2,102,800	5,567,205	1,775,600	3,690,003
Corn, bus.	1,313,200	2,149,000	996,800	1,235,510
Oats, bus.	1,986,000	3,012,000	1,645,000	2,395,760
Barley, bus.	232,000	116,800	62,400	43,120
Rye, bus.	97,500	126,100	93,600	91,970
Kaffir Corn, bus.	51,600	26,400	42,000	53,860
Hay, tons.	7,560	16,044	3,588	4,940
Flour, bbls.	488,430	474,570	577,690	597,630

SUPERIOR—Reported by E. W. Feidler, chairman of the Wisconsin Grain & Warehouse Commission:

	1925	1924	1925	1924
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Hints for the Elevator Millwright

"Big Bill" Finds a Good Sideline for a Grain Elevator in a Desert Location

By OLD TIMER

"HELLO!" said William Davis, over long distance in the office of Edmund Blood's elevator at Sandy Flats, "Mr. Marston, this is Big Bill. How are things running at Massapoag Lake? Need me home pretty quick, or shall I finish up here? I haven't looked around yet. Yes, does seem kind of sandy around here. Fine productive country all around the elevator, which is stuck in the middle of a thousand acres of the worst desert I have seen out of Arizona, Florida or New Jersey. Wonder why the elevator was built there to begin with? . . . Yes? I see. They built it there so as to be handy to the railroad tracks, and central among the wheat-raising farmers around about, outside of that patch of desert more than a mile square. And now, the farmers don't raise much wheat any more, and Blood's elevator feels it badly."

All over the little elevator, Mr. Blood piloted Big Bill, and they looked at the well built and conveniently planned plant with fine storage bins and good equipment everywhere. There was plenty of room and power to spare. The storage capacity interested Bill very much. It was fitted with a distributing belt overhead and with another similar belt for handling material underneath the storage bins. The conveyors were not built in, but were both placed on timbers, free and clear from floors, roofs, or bin tops and bottoms.

"Mighty fine arrangement that, for keeping things clean," said Big Bill to Mr. Blood, as they came out of the elevator.

"Yes, the man who laid out this elevator certainly didn't let things be crowded a bit. Why, I can use any one of these storage bins without danger of dirtying any other. Each bin is closed on top, but is ventilated, and a blower can be made to draw air from any or all the storage bins, as may be found necessary. It sure stops about all of the dust."

Outside, Mr. Davis found a well built sidetrack, long enough for a whole train of freight cars. A good, hard-surfaced county road passed within a few yards of the elevator, and a good hard gravel driving surface had been laid down around the elevator and down to the highway. An intersecting hard road crossed the county road at right angles about 1,000 feet from the elevator, where stood the nearest house, which was occupied by the family of Mr. Blood. Other houses appeared just beyond and thickened into a thriving village a short distance down the road.

"Any city or large towns near here?" asked Bill of Mr. Blood, who replied, "Yes, there's a little 20,000 city 10 miles down the railroad and three or four large towns within 15 miles, most of them on the steam road, but one town is four miles away on the county road and another railway, which doesn't make good connections with this steam road."

"How much land goes with the elevator," asked Big Bill, as they walked over to a little hill, from the top of which Mr. Blood remarked they could see everywhere.

"Bill, I am sorry to say that I own 640 acres of the finest desert you ever saw. It was 'wished on me' when I bought the elevator, and I am paying taxes on just a square mile of arid land."

The little hill was reached, and it interested Mr. Davis immensely. It was perhaps 80 feet high, 200 feet wide and three or four hundred feet long. On one side, the winds had blown a lot of sand away, leaving exposed all manner of pebbles and cobbles, from the size of a walnut up to six and eight inches in diameter, but most from one to three inches. Mr. Davis looked at this hill with a good deal of interest. He walked all around it, along on top, and went up over, along its middle, crosswise from one side to the other, and dug into the sand frequently, with his boot, and with his hands.

"Say, Mr. Blood, I believe you've got something

right here. Will you go to the elevator while I am looking around here, and get a man and a couple of shovels? I want to see a bit more of what is in this 'eskar'."

"Eskar"—what in thunder is that?"

"Why 'eskar' is the name given by geologists to a deposit of sand and gravel which filtered down into, and filled a crack in the ice during the last glacial period, about 15,000 years ago. When the ice was melting away, vast streams of water washed out most of the clay and sent it 'down into the next county,' while the sand and gravel sunk into the ice-cracks and formed low north and south hills, which are called 'eskars.' If I'm not mistaken, you needn't look any farther for a mighty big sideline to your grain elevator business."

Mr. Blood stared in amazement at the gravelly soil under foot, then rushed away to the elevator and soon returned with two men and four shovels. Big Bill set the men to digging small 'prospect holes' around the low hill, and over its top, while he and Mr. Blood grasped the remaining shovels and walked away to another part of the hill, digging little holes through the light and miserable "till" or soil, which constituted the "overburden" of weathered material on top of the splendid sand and gravel deposit. All over the hill, they found the same thing. Good sand and gravel just below the light soil and the gravel constituting more than 60 per cent of the deposit.

"You were wondering all yesterday afternoon, about what could be found for you to work in connection with your elevator, and here, right under your nose—or rather over it—you have the finest gravel deposit I ever saw," said Bill.

Mr. Blood appeared to be bewildered, and said very little but kept looking up to the little hill of gravel. Mr. Davis looked over the lay of the land again, noted the height of the hill and the level of track and elevator, and found that much of the surrounding desert was apparently 10 to 15 feet above the level of the railroad track at the elevator, and that there was a gentle, rolling descent, away from the track, which afforded sure and plentiful drainage into a small creek a half mile or so distant. "Couldn't be better for drainage," said Bill to himself.

"Mr. Blood," said Big Bill, "is there a man around here who bores wells? I don't mean one who digs or drives, but who bores down with a lot of long augers which take out sections of all the soil passed through?"

"Yes," said Br. Blood. "There is a man in a town about 10 miles away, who has just such an outfit."

"Let's go and see him right now," said Big Bill. "If he has the right kind of equipment, hire him for three or four days and put down a lot of test borings all around that hill, and between it and the railroad track, and for a little way down toward the creek."

A short ride through a fine farming country, where hay had replaced grain, to the sorrow of Mr. Blood, soon brought them to the well-borer's abode, and they found him at home, and found that his tools were exactly what were wanted. Mr. Blood was able to engage the man and his son to drive over next day, and to bring his "three-inch-outfit," which consisted of various three-inch earth augers with handles of various lengths up to 20 feet. With these augers, a hole could be bored down about 20 feet, with a diameter of three inches and the earth taken out in sections of a foot or more in length, just as it laid in the earth.

Holes were bored on the hill and found to be gravel as deep as the augers would reach. Then the borings were made all around the hill, and the deposits there were found to be alternate layers of sand and fine gravel, down to 16 or 18 feet, when

a layer of fine sand, almost quicksand, was encountered everywhere. The borings from the auger were laid out in straight lines, beside each hole, in exactly the nature of the material to a depth of 20 feet.

"Mr. Blood," said Big Bill, placing a hand upon Mr. Blood's shoulder, "Come out of it! It's no dream. There is good sand and all kinds of extra strong gravel all over this section of your desert and down toward the creek, there is what seems to be as fine 'road metal' as I ever laid eyes upon. 'Road metal,' as perhaps you do not know, is fine gravel and sand with approximately 2 or 3 per cent of clay mixed in with the other stuff. Clay makes the gravel pack into the finest of gravel roads. Now, if there is anything in the sand and gravel line which you haven't got here, why, I have not heard its name—that's all."

"Yes, but how am I going to handle this proposition? The more I think of it, the bigger it looks to me. I am 'land-poor,' paying taxes on this desert. My elevator brings in something, but not very much. My bank accounts gets lost under my finger nail every time I draw a check, and how I am going to put in gravel handling apparatus is more of a crossword puzzle than I can get through this head of mine."

"Take it easy, Mr. Blood. You have gravel enough in that hill to put you on easy street mighty soon, and you can begin shipping just as soon as you can scurry around the neighborhood and work up contracts for sand and gravel, f.o.b. cars here, or at destination. Then you can go to loading at once, almost without tools. Get the railroad company to put a switch into your sidetrack, pointing toward the gravel hill. Then scrape down with horse teams until you have cleared away a roadbed leading toward the hill and it can be almost level, or on a slight upward incline, along which loaded cars will roll easily, out of the bank. You can extend your elevator car-puller cable to handle cars at the bank, and soon you can load them with a big two-wheeled barrow, same as the sand loaders use at Michigan City, Ind., where a 'sand man' makes \$5 or \$6 a day, loading cars from the sand dunes which line the south end of Lake Michigan. A big barrow is used which will hold a ton at a load. It runs upon a laid-on-sand, plank runway. The worker loads the big barrow so it balances exactly, and with very little exertion, he runs ton loads over the plank runway and dumps the barrows into gondola railroad cars. He does this at a few cents per barrow load, and you can do the same, for the present, from your high-up gravel deposit.

"While loading cars as above, you can also be digging for additional trackage farther into the bank. Just arrange a 'horse hayfork' mechanism upon timbers or poles ahead of the car which is being loaded, fix up a small scoop or grab bucket, which will hold as much gravel as a horse can easily handle. Use this arrangement to dig ahead of the car, the excavated material being deposited directly into the car which is being loaded. In this manner, mixed gravel and sand may be marketed immediately, with but very little expense. Later, you can arrange a loading and screening mechanism which will be power-operated, and which can be made to load two cars at the same time, depositing the sand in one car and the gravel in the other."

"Yes," replied Mr. Blood, "I can start quite an income that way, for I know that good sand and gravel will have a ready sale almost anywhere around here. But, where does this new business 'tie on' with my elevator? Seems as if that is going to be left out of it altogether?"

"Perhaps not, Mr. Blood. There will be business enough, right here in this gravel deposit to keep you mighty busy, but you can work it with the elevator, or without, as you choose. That splendid conveyor outfit in the elevator will allow you to use some of the bins for sand and gravel if you wish, and several of them could be thus used and still leave plenty of storage for all the grain handling that is to be done. You can easily rig

those two belt conveyors to run in either direction. Then put up another sand and gravel elevator leg at the far end of the storage bins, use this leg for sand and gravel only, and you can load in and load out with that leg, such material as might be put into the bins. Now, as business permits, add a washer, dryer and sand screen and soon you will be able to place in the bins devoted to sand storage, any grade of sand or of gravel for which there is a market demand, and then you can 'load out' from such bins any required material, by the carload or by auto truck load for local customers.

"In this way, the elevator can be worked to its full capacity, and the little grain business kept up if so desired. Another way would be, when business demands arise, to dispose of the grain machinery entirely, and to use your entire elevator in the sand and gravel business. And you'd be enlarging it before two years! Another thing, Mr. Blood, keep an eye on the hay business of this neighborhood. It looks good to me and you may be able to handle a whole lot of hay to advantage. Do you remember that you talked of buying a hay press and using it in turn between you four gentlemen? Well, it looks as though you might be the man to look after that press a whole lot. There is much good hay raised around here. You could erect a hay shed and handle hay as well as wheat and sand. Mr. Brown can handle a big lot of hay with the coal he is going to sell, and perhaps Mr. Shattuck may prove to be a "hay" man, as I hear his elevator is right in the middle of a good sized town. We'll see later, about the hay business, only, just keep it in mind, for it looks good to me for hay around here.

"When you get ahead so as to skip handwork and put in loading and handling machinery—and that won't be but a very short time either, you can mix and put out concrete material, which will make you better and stronger concrete than any bank material can possibly do. You can also sell lime and cement, and can make and sell all kinds of plaster and finishes for, you can grade and mix material for mortar and wall plaster, needing only the addition of water, to be ready for use. You can also mix-out, as required, superior 'road metal' to suit any required specifications. That material doesn't bin well, so it should be mixed only as it is loaded out.

"Now, Mr. Blood, just you go ahead and see what you can sell from samples of that gravel, and when you are ready, I will come over and we will plan some sand and gravel handling machinery which will cut handling costs right down close."

THE GRAIN WORLD

Effective September 22, Acting Commercial Attache Mitchell, at London, reports that the United Kingdom has placed an embargo on hay, straw and livestock from New Mexico, Colorado, Kansas, Arkansas, Oklahoma, Louisiana, California and Texas. Shipments which left the United States prior to the date in question are exempted.

Crop reports from Germany continue favorable; and according to recent official reports, heavy rains in September came too late to injure the current harvest.

The American consul reports that the 1925 crop in Esthonia is estimated as follows: Wheat, 133 per cent; barley, 115 per cent; oats, 111 per cent; flax, 106 per cent of the last 10 years' average harvest.

The Yugoslavia import duty of the following commodities is said to have been reduced, according to a report from Belgrade: Wheat, rye, barley, oats, corn and flour.

Wheat production estimates from 16 countries of Europe indicate an increase of more than 200,000,000 bushels over the harvests of the same countries last year. The combined production of five countries of the lower Danube, which includes one of the most important surplus producing areas of

Europe, outside of Russia, amounts to 335,247,000 bushels compared with 240,315,000 bushels for the same countries last year.

According to the final 1924-25 wheat forecast in India, the total area is reported at 31,773,000 acres, as against 31,181,000 acres last year, an increase of 2 per cent. The total estimated yield of the crop which has already been harvested is 319,000,000 bushels, a decrease of 10 per cent from the 355,000,000 bushels last year.

The representative of the United States Department of Commerce at Buenos Aires, Edward F. Feely, reported on September 28 that, based on trade estimates, the exportable surpluses of grain at present in Argentina are as follows: Wheat, 37,749,000 bushels; corn, 59,055,000 bushels; and linseed, 11,000,000 bushels.

Though it will still be several months before the beginning of harvest of wheat in the Southern Hemisphere, the area sown to wheat in Argentina is now placed at 18,829,000 acres. This is the largest wheat acreage ever reported in Argentina.

Hungary is negotiating with Austria for a commercial treaty, and is naturally desirous of securing an outlet for surplus crops. This year has been particularly favorable from an agricultural standpoint, the trade estimates for 1925 showing 62,000,000 bushels of wheat, of which 11,000,000 bushels constitute the surplus for export; 27,000,000 bushels of rye; and 22,000,000 bushels of barley.

A cable late in September from Riga, Latvia, states that Russia is negotiating with mills in Riga for the sale of some 1,960,000 to 2,360,000 bushels of rye at about \$1.04 per bushel.

General favorable conditions are reported in connection with harvesting the barley crop—now near completion—in the Northern Hemisphere. Production estimates received by the Government from 15 countries of Europe show an increase of about 60,000,000 bushels or nearly 14 per cent, over the same countries.

EXPORT TRADE IN GRAIN*

Location accounts for the importance of Buffalo in the export trade, as it is the chief destination for cargoes moving eastward from western ports and is also the most strategic point on the lakes for carrying stocks. During the crop years of 1920, 1921, and 1922, 60 per cent of the grain shipped by lake from Chicago, Duluth-Superior, and Fort William-Port Arthur was billed to Buffalo.

With the exception of a few of the older houses, says the Government report, all of the elevators at Buffalo are of the modern type—steel and concrete construction with excellent equipment. The rates are one cent per bushel, including five days' storage; each succeeding seven days or part thereof, one-fourth cent per bushel. The rate for insuring grain in store is 35 cents per \$100 per year. The practice of carrying grain in vessels frozen in during the winter adds to the storage capacity of the port.

The report goes on to say:

Sales of wheat by shippers of the West to seaboard exporters are often made c. i. f. Buffalo. Under these terms, the seller must deliver the grain, lake freight and insurance paid, alongside an elevator within reach of the unloading tubes. There the responsibility of the shipper ends and the handling of the consignment by the exporter begins. The ship owner expects the vessel to be unloaded within 72 hours after its arrival in port.

The lake bills read shipper's order, unless drawn to the order of a bank, with instructions to notify the buyer, care of a Buffalo care party. The consignee named is often a bank, because sellers ordinarily use their shipping documents as collateral for loans. The "care party" is a forwarding agent who has been engaged by the buyer to look after the movement of the grain through the port. As c. i. f. sales call for payment by sight draft, documents attached, the movement down the lakes is financed by the buyer.

The care party is notified as soon as the parcel or

*The result of a survey by the Department of Commerce on methods and possibilities of shipping grain abroad. Continued from Page 180 of the September AMERICAN GRAIN TRADE.

cargo leaves the western port. Upon its arrival, his first duty is to designate the elevator at which it is to be unloaded. All shipments of grain on the lakes are handled "I.P."; that is, the identity of each lot is preserved, and this rule is also followed in elevation at Buffalo and in the ex-lake movement by rail. For this reason, the Buffalo elevators have been built with more than the usual number of small bins, or bins ranging in capacity from 2,750 to 50,000 bushels. "I.P." handling may at times retard the movement of grain somewhat, but it appears to be necessary in view of the large volume of Canadian wheat passing through Buffalo in bond, and of the large number of special lots of American grain handled on mill orders. Because the identity of each lot is preserved, the grain is not inspected at Buffalo.

Ordinarily, Buffalo elevators do not issue negotiable warehouse receipts, but use "unloads" instead, that is, title to the grain in store vests in the holder of the lake bill of lading. Negotiable receipts may be obtained, however, by the surrender of the bill of lading. This is done most frequently when the grain is to be left in store for a considerable period.

The usual practice in bringing grain from Buffalo to the seaboard is for the exporter or other owner to make a contract with a railway company to move a certain lot within a specified time. The rate, of course, is the regular tariff rate. The different lots of grain received by Buffalo elevators are given "pro" (consecutive) numbers. The contract is often made verbally, a forwarding order being used as a confirmation.

One service rendered by Buffalo care parties is to distribute the grain shipped in their care so that the elevator space at the port will be utilized to the best advantage. As a rule, boats are unloaded within 72 hours after arrival, unless the elevators are blocked by the inability of the eastern railroads to handle grain as rapidly as it is offered to them. Delay in unloading often gives rise to claims for demurrage by shipowners, although charter parties rarely, if ever, have any provisions covering this point. So far, shippers and steamship companies have been unable to agree on a fair rate for demurrage.

In addition to arranging for elevator space, the care party places the insurance carried on the grain while in store, pays freight bills, and effects settlements on outturn insurance policies. Outturn insurance is carried on all shipments to exporters, but not upon all shipments to mills. This, however, is no reflection upon the exporter, because he is no way responsible for the official weights returned by the public elevators at seaboard upon which he makes his settlement with the seller. Toward the payment of the outturn insurance premium (13½ cents per \$100) the shipowner contributes to the value of one-fourth bushel per 1,000 bushels of the lake bill of lading weight to cover tare, or estimated average loss in handling. In case the unloading weight furnished by the Buffalo elevator exceeds the bill of lading weight, the care party collects the tare and pays it, together with the value of the overage, to the insurance company. If there is a shortage, he pays the tare allowance and collects for the shortage on behalf of the shipper. Fire insurance placed through his care party is carried by the buyer on all grain in store, unless he has made a contract with a railroad company, prior to the elevation of the grain, for the ex-lake shipment. In that case, the carrier places and protects the insurance. When the rail contract is made while the grain is in store, the owner must allow the railroad company five days for loading, before the duty of insuring falls upon the carrier.

There is no difficulty in making this contract, unless for one reason or another transportation is blocked or ports congested. Under such conditions exporters have been obliged to wait their turn for bringing their grain forward.

When the exporter makes his ex-lake contract, he advises his Buffalo care party of the terms. Upon receipt of the notice from his principal, the care party verifies the terms with the carrier's agent at Buffalo. With the elevator holding the lot to be moved he then files an order for delivery of the grain to the carrier, at the same time furnishing the carrier with full billing instructions. The care party often renders valuable assistance in the ex-lake movement by helping his principal to secure cars and by keeping him fully and promptly advised of transportation conditions at his end of the line.

No direct charge is made to the shipper for elevation or unloading from boats and loading into cars, provided the grain is shipped out within five days of its arrival. The elevators collect from the railroads taking the grain from Buffalo and the railroads absorb the charge in the ex lake rates.

No charge is made for care party service. At Buffalo the care parties are employed and paid by the elevator companies. The elevators are principally transfer houses, few of them being used for commercial grain merchandising by their owners, and to get its share of the grain moving through the port an elevator must be represented by a care party who is constantly in touch with, and favorably known to, shippers and eastern buyers. A care party, however, usually represents more than one elevator. The care parties are said to receive about one-eighth of a cent per bushel on the receipts they secure for the elevators they represent.

HAY, STRAW AND FEED

A Feed Grinding Business Plus

How the Attractive River-Site Advantages of a Racine, Wis., Feed Plant Are Developed into a Paying Sideline

IN THE September issue of this magazine, a writer in his article, "Hints for the Elevator Millwright," suggests to a certain elevator owner, the profit-possibilities connected with running a kind of summer resort business as a sideline. At first thought, the idea seems far-fetched, but it is true that when climate, location, and circumstance do combine to offer chance of developing a summer business, the opportunity is as valuable as it is rare.

Two miles from the center of Racine, Wis., where the Root River intersects the much traveled Rapids

road, as is shown in the photograph, was remarkable for several reasons. One Daniel Puffer put in all the timber work in black walnut, not only an exceptionally serviceable wood, but one which finished off the mill interior in a very attractive and unusual fashion. The main equipment in the old structure which burned to the ground in 1919, was a 60-barrel Midget Marvel Mill that replaced five huge millstones. These are soon to be used for ornamental purposes near the pavilion, an enterprise of an entirely different nature but directly connected with the management of this interesting milling plant.

The home of J. A. Horlick, manager of the plant, is but a little way back from the river on which the mill and pavilion are located. Canoes, boats, and saddle horses are available to all those who wish to enjoy the beauties of the river and the adjacent countryside. Party rides and classes are conducted by the Horlicks who have a fine lot of trustworthy saddle horses. Boarding and training of horses is also provided.

Fine fall weather means good business for both divisions of the business at Horlick's Dam. It is as good a season as there is in the whole year for feeds, and the same fine Indian summer weather that brings out more feed customers, also brings people out from the city to enjoy the air and

growing neighborhood. Racine, a city of about 60,000 population, the home of a number of great industrial enterprises, is constantly pushing west, as well as up and down Lake Michigan. So the site of the mill and the pavilion at the Rapids, is a fortunate one, one which lends itself unusually well to the development of an unusual sideline. Full credit should be given the management for seeing the possibilities at Horlick's Dam and following them up in so thorough a manner.

FEED EXPERTS TO REPORT

Several feed control officials have been visiting mills in the Southwest to investigate at first hand the workings of the present tentative millfeed standards. After they have returned to Washington, D. C., they will make recommendations to the Department of Agriculture as to whether they should be made permanent. The following members of the feed control bureau comprised the committee: F. D. Fuller, Austin, Texas; H. A. Halvorson, Minneapolis, Minn.; J. C. Mohler, Topeka, Kan.; J. W. Sample, Nashville, Tenn.; Dr. E. E. Werner, St. Louis, Mo. The latter is technical adviser to the Millers National Federation.

HERE CHICK-CHICK-CHICK!

Makers and sellers of poultry feed should recognize that the market for their product is so large that the best imaginations in the United States Department of Agriculture have had to be called upon to put the figures in understandable terms. The chicken population of this country is 400,000,000, and according to the department, this number of fowls would make a procession about 100,000 miles long. It is further asserted that they could lay enough eggs each year to reach from the earth to the moon and back again. "If my feed is fed", some manufacturer may add.

CLEAR UP HAY INSPECTION UNCERTAINTY

The three different types of Federal hay inspection service,—sample, partial, and complete—are exactly defined by George Postmus, Federal inspector of hay at Kansas City, Mo. Recognizing the doubt and difference of opinion prevalent as to the new governmental hay grading program, the *Drovers Telegram* obtained this statement from the inspector:

During the past few years Federal hay inspection has extended farther west as grades for Alfalfa and Prairie hays were formulated. The inspection service offered by the Department of Agriculture is in no wise compulsory, but merely optional. Anyone financially interested in a lot of hay may request a Federal inspection, for which a certificate is issued by a licensed inspector. Certificates are only *prima facie* evidence of the truth of the statements therein contained, and may be rebutted by other evidence. The evidence necessary to overthrow the certificate is variable, depending on the circumstances of the case and on the court. Parties to the disagreement are not bound by the result of the inspection unless they agree to settle the dispute on that basis. If either party elects not to be bound by the inspection, the other party may bring suit and use the certificate as described above.

In the marketing of hay, various local conditions exist which must be taken care of by a Federal hay inspection service. By local conditions are meant various practices of examining cars as to their contents. Certain markets are so situated that only car doors can be opened for inspection of the hay, while other markets have team tracks on which bales may be piled when taken from cars to make what is commonly called a "plug." Even plugs are variable in size and in manner of removing. One can readily understand that the more hay available for examination the more valuable an inspection certificate will be.

To take care of these various conditions the Federal hay inspection service has provided three forms of inspection. Occasionally after a car is shipped a long distance, a controversy arises over the grade assigned.

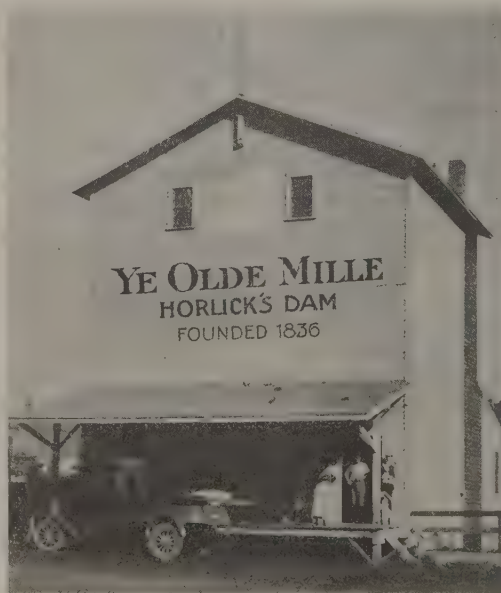


POWER AND SCENERY ARE FURNISHED BY ROOT RIVER

Road, stands Ye Olde Mille built in 1836, back in the days when many of the mill customers brought grist to the mill on their shoulders or in the heavy, lumbering, ox-drawn carts. The high quality of the old mill's custom grinding built a trade and has kept it through several generations and even now custom grinding is a specialty of this plant.

Feed, flour, grain, and both garden and field seeds are available to the mill's customers. Salt and lime are also sold. Grinding hours are advertised as being from 7:30 to 5:30 every day. The farmers, using Ford trucks now instead of ox-carts, can bring their grain to the mill and leave it there while they go on to Racine to transact other business and then can pick up the ground grist on their way home. The splendid location of the plant is one of its principal assets which is improving in value every year. A large malted milk plant, near Horlick's Dam, gives impetus to the dairy business in that section. Dairies mean dairy-feed and this plant is prepared to furnish it.

Water power, developed by a Leffel turbine, supplies the power for the grinding machinery supplied by the Robinson Manufacturing Company. One of this firm's powerful "Unique" machines is installed. Leather belting is used on the shafts. Abundant power is supplied at all seasons of the year from the Root River which, however, is seldom at the flood stage shown in the picture. The original mill, which occupied the site of the present building and also the land directly to the right of



THIS FEED PLANT IS A RACINE (WIS.) LANDMARK

scenery to be found along Root River. There is dancing at the Pavilion every Wednesday, Friday and Saturday night, which the bus service to and from the heart of the city, makes popular. Good music and the river breezes make this a great attraction. Refreshments for the guests are always obtainable. The "Pavilion At The Rapids" is, of course, appropriately advertised by well prepared booklets, special notices, etc.

The management has found this diversified business satisfactory enough to warrant further expansion—in a third direction. Directly south (to the right in the picture) of the plant is to be built a warehouse, which the growing business in feeds, etc., makes necessary. One end of this new structure will be a store, fronting on the Rapids Road, and strategically set to serve well a large and ever-

The cost of sending an inspector to such place may be prohibitive. In such instances a "Sample Inspection" is provided. The parties may agree to select a representative bale of the lot to be sent to the inspector and settle the controversy on the basis of the grade given by him. The inspection certificate issued in such a case is a "Sample Inspection Certificate" showing the bale as having been taken from a certain car and the grade assigned. Such a certificate is valuable in settling claims when the cost of a more complete inspection is prohibitive.

Another form of inspection is a "Partial Inspection." A partial inspection certificate is issued when more than a sample can be inspected, but less than one-third of the lot. Such an inspection would be a partial plug, a car doorway or some similar portion of a lot. A partial inspection certificate has labeled in large red letters diagonally across its face the words "Partial Inspection." This certificate is the most common. It states the portion of the lot seen and the grade assigned to that portion.

The third form of inspection is called a "Complete Inspection." A complete inspection certificate is issued when every bale in the lot has been inspected or a sufficient portion to enable the inspector to issue a certificate for the whole lot. By a sufficient portion is meant the removal of at least one tier of bales to within one bale of each endwall of the car except the floor bales.

One can readily see that the grade assigned to a single bale cannot be reinspected or appealed. However, in the case of a partial inspection a reinspection may be called for if hay of a different grade is found in the ends of the car. A call for reinspection is no reflection on the inspector, but is a discredit to the loader for not loading uniformly. If the grade assigned by an inspector is objected to and thought to be in-

correct, an appeal may be made. An appeal is a review of a previous complete inspection. Appeal inspections are made by other inspectors so an unbiased grade may be given the hay.

had 75 per cent of the hay of south central Washington in its control before it started operations. The Board of Directors left the question of resuming operations open until May 1, 1925. The contract form under which the association was operated was drawn by Aaron Sapiro, it is reported. When the organization started it was supposed to have had 144,000 tons of hay in its district under contract.

TEXAS FEED MILL ADDS NEW ELEVATOR

The days of free range and depending upon catch-as-catch-can methods of raising livestock are fast disappearing in Texas. Not only is the area available for range purposes growing less and less each year, but those who breed livestock are beginning to realize that it is a necessity to see that better methods of feeding are observed.

The market for feeds is extending and manufacturing and merchandizing of the right kinds of feeds have become essential lines of enterprise in the Panhandle State.

Work was completed within the last year on the new plant of the Dal-Tex Grain Company, at Dallas, Texas. The completed plant has a headhouse with a height of 106½ feet. The buildings include an elevator, warehouse and mill, and the company has room for 50 cars of sacked goods.

shovels, and a Howe Hopper Scale. Fire protection is cared for with the usual modern devices and carefully planned safeguards, including a sprinkler system.

All kinds of grains are handled, though no sidelines have been added to the list aside from the principal product of stock and poultry feeds. In addition to the various grains used in making the seeds, the company consumes a large quantity of molasses.

The Dal-Tex Grain Company was organized in 1920 by Tony Brignardello, formerly of Memphis, Tenn. It was incorporated April 1, 1925, with the building of the new elevator. The following is the list of officers: President, Tony Brignardello; vice-president, J. D. Gillespie; secretary-treasurer, Oscar Bruce; and assistant manager, A. C. Bovard.

FEED COMPANY WATCHES DELIVERY COSTS

By WILLIS H. PARKER

When O. N. Evans and W. J. Bennett went into the feed business in Arvada, Colo., a little town of about 5,000 inhabitants, a short distance from Denver, competitors are said to have predicted that they wouldn't last six months. They have been in the business 15 years and have seen those competitors pass along—into other lines of business or to other communities.

"One of our drivers brought that information to me," said Mr. Bennett, "and I told him that the prediction was fair enough. If I couldn't make a go of it in six months, I would be willing to get out before I lost any more money."

Suffice it to say that when the six months were up, Evans and Bennett were still doing business and Bennett wasn't ready to get out. He was making money. Of course the firm has had its ups and downs, as have other firms dealing in hay and grain with the usual sideline, in a small community, of coal; but they have succeeded under difficulties only because they made it a point to keep their teams and trucks busy in dull seasons as well as in good seasons. In fact it is the problem of keeping their teams working and their trucks trucking that gets the largest share of their attention. There are days when the number of loads of grain or hay to be hauled is small and there are days when they have more than they can do, but a firm to succeed must be able to handle peak business as easily as it handles the few loads, for people want what they want when they want it, and that's the basis of service. On dull days horses require their daily amount of feed and drivers want their regular daily wage. Therefore, keep them busy.

This firm operates two trucks and six teams. Some days they are all needed to deliver feed and on other days there isn't enough feed business to keep one truck busy. In the winter time when the coal business is brisk, there are days when the coal deliveries keep all equipment on the move. But seldom is a team or a truck idle in this business. If there isn't enough of the regular business to keep all equipment going, outside hauling is sought. Here is where the firm has made its success. Bennett is always on the alert for any hauling his teams may do when he hasn't enough work for them in hay, feed or coal, but he arranges to do this hauling as a sideline and with the understanding that he can pull any or all of his equipment off the sideline to handle his own business if necessary. It may be hauling sand and gravel for a contracting firm building a new road. It may be hauling household goods from one community to another nearby or in the town. It makes no difference what the job may be just so it keeps the equipment and the men busy and pays enough to cover salaries and upkeep.

Much of the delivery of feed and coal by this firm is for long distances, and experience has shown Mr. Bennett that certain equipment is better for certain distances and under certain conditions. As I said before, the firm maintains two trucks and six teams. Teams are cheaper on all hauls of less than two miles, he says, under ordinary conditions. If it is a good road and several miles distant, it is



PLANT OF THE DAL-TEX GRAIN COMPANY, DALLAS, TEXAS

The capacity of the elevator for bulk grain is 100,000 bushels.

The elevator has three boots, and is divided into 21 separate bins. This is supplemented by modern machinery for making poultry and stock feeds, with a minimum of labor. The plant is situated at the intersection of the Santa Fe Railroad and Lattimer Street, and sidings connecting with the main line of the railroad make it possible to give prompt service on all outgoing consignments, as well as facilitating the receiving of raw products. Fifteen carloads per day may be loaded and unloaded on the company's track.

The plant proper occupies a space measuring 200 feet long and 80 feet wide, and is of ironclad construction. The general plan has been arranged in such a way that the buildings are ideally situated for rapid and efficient feed manufacture. Thoroughly up-to-date equipment has made possible a large business in shipping, receiving and milling.

With a receiving capacity of 10 cars and a shipping capacity of 10 cars per day, the plant is well equipped to handle the volume of business that comes its way. The S. Howes Company furnished three Eureka Grain Cleaners of 750 bushels per hour capacity each and these constitute an adequate complement of cleaning machinery for the elevator. Additional machinery includes a 2XX Williams Patent Crusher, and this attrition mill has a capacity of 2,500 bushels per hour.

Electric power affords the means of furnishing both power and lighting. There are six electric motors, which have an aggregate of 200 horsepower. The plant is equipped with an Ehsam Clutch in this department. Some of the motors are direct connected and others have belt and silent chain drives provided. The silent chain drive, furnished by the Link-Belt Company, is of 15-horsepower on 42-inch centers. It is operated from an 870-turn, 15-horsepower motor.

For handling the shipping and weighing of the products merchandised, the company has power

correct, an appeal may be made. An appeal is a review of a previous complete inspection. Appeal inspections are made by other inspectors so an unbiased grade may be given the hay.

FEED CONTROLLERS MEET

At Washington, D. C., October 29 and 30, will be held the annual meeting of the Association of Feed Control Officials. Action will probably be taken on millfeed standards already under consideration. The Association has formulated as a tentative requirement for brown shorts that the fiber content be not in excess of 6.5 per cent and on gray shorts 5.5 per cent. Either this requirement will be adopted as final or the maximum figures raised, or the tentative figures simply continued for another year.

CO-OP HAY GROUP DISSOLVES

A recent Washington State Supreme Court decision was largely responsible for the directors of the Northwest Hay Association voting to suspend operations and close up the business of the organization. The decision holding invalid the contracts the association had made with George M. Chase, Grandview, Wash., was given as the immediate cause of the action. The association had claimed 1,200 members in Yakima, Kittitas, Walla Walla and Benton Counties in Washington and Umatilla County in Oregon. The Board has announced that all creditors are fully protected.

The association was formed nearly two years ago as a co-operative enterprise with headquarters in Yakima, Wash. It signed up growers on contracts in the five counties with the proviso that the contracts should not be operative unless 75 per cent of the hay of the district was contracted to be handled through the association. A few months ago Chase made a test of the contract in superior court. Chase won and the association appealed. The effect of the supreme court's affirmation of the superior court was to nullify the contracts, because the association had failed to prove that it

far better to use one of the trucks, but if it is a bad road—muddy or covered with snow—then the teams are the cheaper. The firm makes a charge for long distance deliveries. Free deliveries cease at a distance of two miles. A charge of 50 cents is made for hauls from two miles to five miles, and from a dollar to a dollar and a half a mile on hauls over five miles.

A truck must earn from \$25 to \$30 a day, according to Mr. Bennett, if you expect it to pay dividends. If you can't make \$25 a day with it—deliveries and extra work—you might just as well leave it in the garage. Watching truck costs is another of the firm's methods of preventing the overhead from interfering with profits. One is a two and a half-ton truck and the other is a ton and a half truck, but each one of them must earn enough to pay the driver a salary, cover the cost of operation, interest on the investment and the other items of economic and efficient truck operation. There are many men who can run a truck but few who can drive one. In Mr. Bennett's estimation a truck driver must be able to keep the truck in repair and prevent undue wear. For that reason he never hires a cheap driver—he pays better wages than many other truck owners and his driver is competent to take the truck motor to pieces and repair it and replace the parts without having anything left over or getting the wrong peg in the right hole. He has one truck that has been in constant use for two years and has never been sent to a garage for repairs. The driver is so competent that he has been able to keep the truck from getting in such a condition as to require the services of expert repair men. The good wages he pays is an inducement for a good driver to stay—one driver has been on the job for four years.

Civic pride too has something to do with the success of a business firm, and Mr. Bennett will pull a team off a coal wagon to assist in bucking the snow and opening the highway if his team is needed. He feels it is a benefit to him and his firm to keep the highways open—not only in the town itself but on the country highways in the immediate vicinity. Maybe he'll have to deliver a couple of tons of coal or a few sacks of grain out that way a few hours later.

In summing up the elements contributing to the success of this firm, Mr. Bennett says it is due to the fact that they always have the equipment to make deliveries as ordered, that they keep the equipment busy at something even on the dull days, and they watch the trucks that they earn their living and a little bit more. Of course he admits that they are familiar with the purchase and sale of hay and grain, and the market conditions, but they feel that all of the market knowledge they might be able to obtain would do them no good if the delivery system ate up all the profits.

HAY MARKET QUIET

Under date of October 10, the Mutual Commission Company of Cincinnati, Ohio, says: Heavier receipts during the past 10 days affected the market very little on top grades. Lower grades are not wanted and are being heavily discounted. Local buyers are interested only in the good hay. We look for very little change in prices during the next few weeks.

HAY MARKING TIME

By S. M. BENDER

The hay market in Toledo has not shown a trend in either direction, but has rather been marking time until a more active trade develops. Receipts are practically nil and dealers do not expect much activity until after the corn movement. There appears to be a holding tendency on the part of farmers for higher prices which dealers do not believe is justified in the face of a large carry-over and fair sized crop this year.

Soft wheat has been commanding a premium of 15 cents or better over the Chicago December option. Receipts continue light, though there is said to be liberal amounts still in farmers' or country elevators' hands. Millers and grain dealers have strong bidders most of the time. Flour and

millfeed trade has varied greatly during the month, with the price trend distinctly downward. The excellent prospects for corn may cut into the millfeed business. High prices for hogs and cattle are attractive to feeders, and heavy feeding is more than probable. Spot grain has been eagerly sought by mixers and distributors and is bringing top prices. Milling demand for oats continues good with eastern buyers in the market on a large scale in addition to the local trade. Rye is a dead number for the time being, as the export trade and milling demand from domestic sources has been slow ever since harvest.

WILL HAY PRICES GO HIGHER?

By JOHN H. DEVLIN

The question uppermost in the minds of the hay producers and the hay trade in general is: Will hay prices go higher? There may, of course, be



times when weather conditions will prevent shipping and the market may reach higher figures than it has so far on the new crop. Then, again, there will be times when the movement of hay will be large, and prices will range lower than those quotable now.

It is the writer's opinion that prices during the fall, winter and early spring will average just about as they have so far on the new crop.

While it is true that the hay crop of 1925 was a short one, it is the writer's opinion that there will be plenty of hay to meet all requirements. The big corn crop will make up for part of the shortage in hay. The growing of cow pea hay and soy bean hay in sections where the hay crop was very light will offset part of the shortage.

Then, again, the fall rains have brought on good pastures. This has relieved the situation in a good many of the short sections. Taking the United States over, it is the writer's belief that there is plenty of hay available to supply all demands of the trade. Some sections, of course, are short and will have to ship in hay. This latter factor is what is going to keep prices up. We always have better markets when there is a shortage in some sections. Take, for instance, the Chicago market, there is already considerable hay being shipped off of this market. This only keeps the buyer here anxious and causes him to be less particular as to prices than he would if all hay coming in here had to be sold here, as was largely the case during the marketing season of the 1924 crop.

The short hay crop has been so well advertised that I fear the producer has become unduly bullish. There seems to be a tendency right now to hold hay for later market. I believe this to be an unwise move. The producer should market a portion of his hay through the fall and winter months. If the bulk of the hay is held for marketing during the spring months, we are liable to see the hay season go out at much lower prices than during the fore part. There is an old saying: "Look out for the tail end of a short crop." In other words, don't depend too much on the short crop to force high prices at the close of a season. It quite frequently happens that there is such an over-supply at the close of the season as to force prices to the lowest point of the season.

My advice to the producer is to market his hay gradually throughout the season.

CASH-AND-CARRY FEEDS

A number of feed retailers in the West have turned to the cash-and-carry system in an effort to combat the aggressive selling push of chain stores. One dealer, starting such a system last July, reports that his business has not suffered an appreciable loss on account of it.

On July 1, all his customers, old and new, were required to pay cash and old customers were asked to pay as much as possible on their old accounts, or furnish security for their accounts. Of course, some of the customers balked at first,

but, as the proprietor stated, "Why should they walk over to the chain store and pay cash and get cheaper goods, and then come to me for the balance of their supplies and expect credit?" Results are working out satisfactorily for the time experimented.

In another feed store, the proprietor had started the system about a year ago, and, while losing some of his business temporarily, has worked it back to its original position. Naturally the volume dropped for a time, as customers bought only their immediate needs. In this instance, the proprietor explained that his customers had stated that they were using less feed when paying cash with less waste and more scientific feeding.

HAY FIRMER IN NEW YORK

By C. K. TRAFTON

The general situation in the hay trade during the month was somewhat similar to that noted in my last. While it is true strictly choice Timothy or No. 1 in large bales was exceedingly scarce and therefore held higher, there was still an ample supply of common or poor descriptions which were almost unsalable even at noteworthy discounts.

Indeed quotations for No. 1 were often largely nominal as the supply available was often insignificant and consequently virtually nothing could be accomplished even though jobbers and consumers were willing to pay higher figures; consequently only occasional cars were sold as high as \$1.45 @ \$1.50 in big bales but the bulk at \$1.45. Because of this scarcity nearly all buyers were compelled to give attention principally to No. 2. It was said that the firmer tendency was partly brought about by the reluctance of farmers to give attention to baling and particularly their best qualities.

On the other hand receipts continued abundant of common or inferior grades and notably by barges and river boats. These arrivals embraced a large percentage of Canadian as farmers in Canada have continued to bale actively. A material part of this hay was decidedly slow of sale partly because it was undesirable being in smaller perpetual bales. Otherwise the grade was so low that it was not wanted. In some cases the money realized was insufficient to pay transportation or other charges.

PURINA EXPERT DISCUSSES FEED

In charge of the poultry feed department of Purina Mills, St. Louis, Mo., is J. S. Jones, whose qualifications to talk on the "Relation of Manufactured Feeds to the Poultry Industry", are unquestionable. In a talk on this subject, given to the National Poultry Council in Chicago, Mr. Jones said in part:

Poultry production has grown to the stage where it is rapidly becoming a manufacturing proposition. Competition between the various producing sections is rapidly developing and competition is forcing more efficient methods on the manufacturer who makes progress in the industry or who even holds his relative position as a profitable producing factor.

There is plenty of statistical evidence to show that a change in feeding methods is taking place very rapidly. In one state where a large volume of both manufactured feed and by-product feed, such as cotton-seed meal and wheat mill feeds are sold, the volume of manufactured feed increased from 26 per cent of the total to 40 per cent of the total in a six years' period. In 1923, in this same state, over one-half of all the manufactured feeds sold were poultry feeds. A survey of the local market in Chicago, several months ago, showed that 17 carloads of manufactured poultry feed are sold to consumers in Chicago every day.

The safety razor sold America on shaving by making it easier and less painful. Manufactured feeds are selling the poultry producer on better feeding by exactly the same method. It is far easier, more satisfactory, and in the long run more economical, for the poultry producer to purchase manufactured feed than it is for him to get the required knowledge, provide the necessary equipment for manufacturing a dependable uniform ration and use this equipment.

Better feeding is one of the largest, if not the largest, single factor in increasing profitable poultry production. A relatively small increase in production will compensate for a relatively large increase in feed cost. It is not at all unusual for a ration which costs only a few cents a bag more to produce from three to six more eggs per hen per month, increase the hatchability by from 10 per cent to 20 per cent and decrease chick mortality by from 10 per cent to 25 per cent. This means a greatly increased net profit.

One more egg a month will pay a difference of \$10

a ton in the cost of feed; a decrease of 10 per cent in chick mortality will pay a difference of \$30 a ton in the price of feed; a 10 per cent increase in hatchability will pay a difference of \$60 a ton in the price of feed. Is there any reason why a poultryman should not pay \$10 to \$20 a ton more for a ton of feed which will increase his gross profit from \$20 to \$40 for every ton of feed he uses? The more progressive poultry producers, who keep records are going to buy the feeds which give them the largest net profit per dollar invested. A surprising number of people who keep chickens are beginning to also keep records, and they know at the end of the year exactly what their net profit is. Eventually every feeder will buy the feed which will give him the largest net profit per dollar invested. Economic necessity is the strongest influence in producing this result.

Better feeds are materially reducing the waste in poultry production and are drawing the poultryman's net profit figures closer to his gross profit figures. The poultryman who fails to keep step with his more progressive competitors is doomed.

Poultry feed manufacturers today are in close touch with all of the research work being done by the various state and Federal research men. They are very keen to apply any idea which will make their products render a better and more satisfactory service to the poultryman. They not only study the research work being done by others but they are employing trained research men to do practical research work which will constantly improve their products.

It is only natural that Mr. Jones should include appropriate mention of the laboratory end of feed manufacturing, for at the Checkerboard plant, this is given much attention. A chemical and biological laboratory is maintained for the testing of the company's feeds, and cereals, as well as a great experimental farm, where feed experiments are continually in process on stock and poultry to discover the perfect feed.

WEDDING BELLS

Wedding bells will ring out in the near future on the Cincinnati Grain and Hay Exchange, it is announced. The party of the second part is no less than D. W. Hopkins, president of the Mutual Commission Company and one of the most popular of the younger members of the hay and grain trade of the Cincinnati market. The bride-to-be is Miss Eva Stewart of Covington, Ky.

NEW YORK FEED MARKET LOWER

By C. K. TRAFON

Again the downward trend in the feed market was generally characterized as seasonable. Apparently this was confirmed by the outcome. For one thing the receipts of Spring wheat were large early in the month although there was a falling off subsequently which was taken to mean that the movement had passed its peak but despite this feed held close to the bottom. Naturally the abundant arrivals coupled with a good domestic demand for flour led millers to grind actively and therefore the offerings of feed became heavier leading to a fair business. Doubtless this weakness was partly chargeable to the huge crop in Canada which led to ample offerings of Canadian bran in our markets. Corn feeds have been inactive although offered lower owing to the increasing offers of new to arrive. Buyers hold back anticipating lower cost after new becomes more abundant. Linseed meal was quiet although cheaper partly because of moderate receipts of seed from Argentina. Cottonseed meal was slightly more active as cost was reduced in keeping with the big break in cotton consequent upon the larger crop. There was less stagnation in beet pulp mainly because new domestic has finally been offered and of course at lower cost than previously quoted for old.

FOR AFTERNOON-CUT HAY

Whether hay is cut in the morning or afternoon makes a vast difference in the time required for curing, according to the experiments made by Dr. A. L. Blakke, Iowa plant physiologist. He claims that there may be a difference of 40 per cent in the moisture content of plants between 10:30 a. m. and 1:30 p. m.

Dr. Blakke has measured the content of water in plants at various hours of the day and found plants contain most water from early morning until about 10:30 because the leaf pores are practically closed during the night while the roots are

taking up moisture. As a result, the cells are filled with water in the early morning. Soon after sunrise the leaf pores open up and start to throw off moisture. As soon as plants are cut off, the leaf pores close and if they are cut when containing the most water, the curing is bound to be less rapid. The time of day for cutting hay seems important in view of these findings, especially for Alfalfa and Sweet Clover hays.

EXTRY!

One hundred dollars in gold were given to each of the 112 Purina Mills salesmen who had been victorious in the company's feed tonnage race, when they met recently at the Chase Hotel in St. Louis, Mo., for their annual sales convention. W. K. Woods, a vice-president of Purina Mills and president of the St. Louis Merchants Exchange, was one of the executives in charge of ceremonies. About 600 members of the Purina organization were present. A feature of the sales convention was the publication and distribution of a full size, extra-edition newspaper, relating various Purina sales records, aims, and inspiration. "It was a world's record newspaper that was delivered after the Purina salesmen's entertainment," according to the advertising manager, who explains: "Just as the show was coming to a close, a reporter and a photographer from the *St. Louis Tar* (a replica of the *St. Louis Star*) dashed into the Chase Hotel to get a story and a picture. Three seconds after a dozen newsboys rushed through the audience selling the record edition."

ATTACKS COTTONSEED

Armin Seidenburg, a chemist in the New York City Department of Health, has recently had his ideas on cottonseed as a dairy feed ingredient published. Mr. Seidenburg would brand as adulterated the butter made from the milk of cows fed an "excessive amount" of cottonseed meal. He advances the thought that the use of any fat which is not high in Vitamin A content is harmful to the butter later produced. It is interesting to note that oats, wheat, rye, white corn, and barley are also deficient in Vitamin A. But the chemist singles out cottonseed meal for special denunciation in this case.

As yet no chemist, representing feed manufacturers or cottonseed producers, has answered the charges suddenly heaped on this popular ingredient, but answers negating Mr. Seidenburg's assertions are bound to come from several sources.

NEW FEED BRANDS

"GOOD ENOUGH TO EAT" poultry food. The American Agricultural Chemical Company, New York, N. Y. Filed June 6, 1925. Serial No. 215,395. Published September 8, 1925.

"ATLAS" animal foods, namely hay, baled, crushed, milled, or ground and sold in bales or



ATLAS
Get Happy!
FEEDS

FOUR BELLS
ACME
Get Happy!



GOOD ENOUGH TO EAT

KUBEKA



FEED-RITE

IN RED BALL BAGS/ PROTOMINE

sacks; Alfalfa, baled, crushed, milled or ground, and sold in bales or sacks; straw, baled, crushed, milled or ground and sold in bales or sacks; forage grass, crushed, milled, baled or ground and sold in bales or sacks; cottonseed meal, whole, milled and sold in sacks; dried beans, whole, milled and sold in sacks; dried peas, whole, milled and sold in sacks; coconut meal, whole, milled and sold in sacks; soybean meal, whole, milled and sold in sacks; peanut meal, whole, milled and sold in sacks; rolled barley, whole, milled and sold in

sacks; dairy feeds, livestock feeds, poultry feeds, forage grasses and fodder feeds, either crushed, chopped, ground or whole, prepared from a mixture of the foregoing commodities as ingredients and to be sold in sacks. A. W. Scott Company, San Francisco, Calif. Filed April 14, 1924. Serial No. 195,542. Published September 15, 1925.

"HOMESTEAD" scratch feed, chick feed, laying mash, stock feed, hog feed and dairy feed. Illinois Feed & Elevator Company, Bloomington, Ill. Filed July 25, 1925. Serial No. 217,881. Published September 22, 1925.

"FOUR BELLS" wheat flour, cornmeal, corn chop, mixed feeds, grits, and poultry feeds. Staley Milling Company, North Kansas City, Mo. Filed July 20, 1925. Serial No. 217,645. Published September 22, 1925.

"PROTOMINE" stock food for cattle, horses, sheep and hogs. Lambert Lictonic Company, St. Louis, Mo. Filed July 21, 1924. Serial No. 200,323. Published September 29, 1925.

"FEED-RITE" poultry foods. John T. Bell, Corcoran, Calif. Filed May 29, 1925. Serial No. 215,042. Published September 29, 1925.

"KUBEKA" alimentary pastes of wheat flour, leguminous flour and leguminous meals, cereal dietetic food for infants and invalids, stock food and poultry food, etc. Peter Anton Friedrich Kufek, doing business as R. Kufek, Bergedorf, near Hamburg, Germany. Filed October 29, 1923. Serial No. 187,628. Published September 29, 1925.

"GET HAPPY" feeds and foodstuffs for poultry, cattle, horses, mules and hogs. Edgar-Morgan Company, Memphis, Tenn. Filed June 27, 1925. Serial No. 216,514. Published October 6, 1925.

"GET HAPPY FEEDS IN RED BALL BAGS" feed and foodstuffs for poultry, cattle, horses, mules and hogs. Edgar-Morgan Company, Memphis, Tenn. Filed June 27, 1925. Serial No. 216,513. Published October 6, 1925.

"ACME" wheat flour, self-rising flour, dairy feed, scratch feed, horse feed and hog feed. Acme-Evans Company, Indianapolis, Ind. Filed May 6, 1925. Under 10-year proviso. Serial No. 213,875. Published October 6, 1925.

Trademarks Registered

202,938. Feedstuffs, namely, a mixture of grain, Alfalfa, and corn-sugar molasses. Corn Products Refining Company, New York, N. Y. Filed April 10, 1925. Serial No. 212,480. Published June 16, 1925. Registered September 8, 1925.

203,349. Rice, wheat flour, cornmeal, corn chops, shorts, poultry feed, chick feed and stock feed. American Grocer Company, Little Rock, Ark. Filed December 30, 1924. Serial No. 207,438. Published June 16, 1925. Registered September 15, 1925.

203,350. Rice, wheat flour, cornmeal, corn chops, shorts, poultry feed, chick feed and stock feed. American Grocer Company, Little Rock, Ark. Filed December 30, 1924. Serial No. 207,439. Published June 16, 1925. Registered September 15, 1925.

203,515. Egg mash, scratch feed, hog chops, horse feed, dairy feed, patent wheat flour, rye flour, cracked corn, cornmeal, whole wheat flour, corn grits, buckwheat flour; chipped wheat, a cereal breakfast food; breakfast wheat, breakfast grits and cereal breakfast foods. Federated Cereal Mills of America, Owensboro, Ky. Filed January 21, 1925. Serial No. 208,389. Published June 30, 1925. Registered September 22, 1925.

204,049. Stock feed. American Milk Company, Chicago, Ill. Filed June 1, 1925. Serial No. 215,120. Published July 21, 1925. Registered October 6, 1925.

204,081. Poultry and stock food. Maritime Milling Company, Inc., New York, N. Y. Filed January 29, 1925. Serial No. 208,816. Published July 28, 1925. Registered October 6, 1925.

204,088. Stock food. Molasses Feeds Company, St. Paul, Minn. Filed May 5, 1924. Serial No. 196,605. Published July 21, 1925. Registered October 6, 1925.

204,144. Meal, made principally from Alfalfa leaf. The Denver Alfalfa Milling & Products Company, Lamar, Colo. Filed May 20, 1925. Serial No. 214,589. Published July 21, 1925. Registered October 6, 1925.

FIELD SEEDS

ACTIVITY IN TIMOTHY SALES

Seventy-five per cent or more of the Timothy seed this year left the growers' storage by September 22, a Washington, D. C., report indicates. Movement has been especially active in southern Iowa. As a whole, the Timothy seed movement to date has exceeded that of last year, but about equalled the movement two years ago.

Exports during August were 204,008 pounds, compared with 159,021 pounds for August, 1924. During the eight months ending August, 9,413,382 pounds were exported, compared with 9,291,727 pounds shipped last year in the same period.

CARPET GRASS SEED HELD

Growers of wheat are not the only ones who have been inclined to hold a good part of the crop this year. When prices offered to carpet grass seed growers in southwestern Mississippi this year have been ranging from \$25 to \$30 per 100 pounds (clean seed basis), buyers have been very active, but not to much avail. Growers are inclined to hold in anticipation of an advance because of the short crop.

The production of carpet grass seed in the territory named is less than normal, although slightly larger than last year's small crop.

CANADA'S PURE SEED

Two thousand separate fields in Canada, aggregating 35,000 acres were given over to the production of pure seed last year, according to the figures certified by the Canadian Seed Growers Association.

Production of pure seed in 1924 increased 100 per cent from the crop in 1923, the registration service of the Association records shows. Acreage of seed crops registered in 1924 produced as follows: Wheat, 17,500 acres, 355,000 bushels; oats, 11,000 acres, 482,000 bushels; barley, 500 acres, 15,000 bushels; flax, 950 acres, 9,200 bushels; Alfalfa, 4,000 acres, 480,000 pounds.

Total seeds exported from Canada in the nine months ending December 1924 had a value of \$8,561,551 in comparison with \$7,039,474 in the previous year, and \$5,085,449 in the year before that. Alfalfa seed to the value of \$206,886 went to the United States and other countries. Alsike seed to the value of \$1,235,598 went to the United Kingdom, United States, Denmark, France, Germany, Irish Free State, Netherlands, New Zealand, and other countries. Red and other Clover seed valued at \$468,059 went to the United Kingdom, United States, Irish Free State and Germany. Flaxseed worth \$6,470,129 went principally to the United States, and grass seeds valued at \$139,775 to the United Kingdom, United States, Germany and other countries.

WISCONSIN SEED NEWS

By C. O. SKINROOD

One of the big events of the seed year in Wisconsin will take place in Menomonie when the seed growers of the entire state will assemble from November 14 to 21 not far from Eau Claire in Dunn County. The announcement of the seed and grain show is made by D. P. Hughes who is in charge of the event.

The exhibition will be open to the public only on November 18, 19 and 20 as the time previous to that will be devoted to the arranging of exhibits and the judging of the various entries. In addition to the exhibition will be farm institutes to be held on November 19 and November 20.

Cash premiums will be offered by the Wisconsin Agricultural Department and in addition there will be premiums of merchandise contributed by the merchants of Menomonie. Trophy cups will also be awarded for sweepstakes. It is also expected that the larger manufacturers of the state will encourage the seed and grain show by offering additional prizes. They have done so in the past and this year is expected to prove no exception.

Sweet Clover is becoming a great favorite in many communities of Wisconsin, according to reports which have been received from various counties. One farmer of Baraboo reported that he had sowed Sweet Clover with oats last year mixing one part of the Sweet Clover to one part of Red Clover and Timothy. After the oats was cut, which yielded a heavy crop, the cattle were turned into the field. For a time they would not touch the Sweet Clover but in a few days, not having any other feed, they began to eat Sweet Clover. Later they preferred Sweet Clover to other grasses.

In the season of 1925, this same field of 17 acres was allowed to stand for seed and it yielded 40

bushels of Sweet Clover seed which brought about \$8 per bushel.

The College of Agriculture does not advise the seeding of Sweet Clover in the fall. The best practice is said to be to sow with a nurse crop of oats. The college declares that the Sweet Clover is not good for hay and in fact should not be used in this way. On the other hand, it is considered as highly valuable for a pasture crop and it is even more desirable to restore fertility to the soil.

Reports from various parts of the state indicate that Alfalfa is making a very fine growth in the fall. The abundant rains, with many instances of five or six showers a week, have helped all the grasses. The Alfalfa fields as well as the Clover are in a flourishing condition.

IMPORTS OF FORAGE PLANT SEEDS

The Seed Laboratory of the Bureau of Plant Industry reports the following imports of forage plant seeds permitted entry into the United States under the Seed Importation Act:

Kind of seed—	September		July 1, '25 to July 1, '24	
	1925 Pounds	1924 Pounds	Sept. 30, '25 to Sept. 30, '24 Pounds	to Sept. 30, '24 Pounds
Alfalfa	36,100	223,400	74,100	2,961,400
Canada bluegrass	2,500	5,700	35,600	10,600
Alsike clover	998,900	544,500	1,147,700	827,400
Crimson clover	*1,432,700	1,098,400	4,216,300	2,915,900
Red clover	90,000	28,900	165,600	165,600
White clover	36,300	79,400	329,800	182,300
Clover mixtures	2,500	100	3,000	100
Grass mixtures .....	.....	100	.....	100
Broom-corn millet .....	.....	.....	.....	31,100
Orchard grass	16,299	65,200	16,200	97,700
Rape	*1,022,700	150,900	1,277,400	339,600
English ryegrass	134,000	147,300	815,900	344,800
Italian ryegrass	143,500	87,600	294,500	143,100
Timothy .....	.....	.....	.....	100
Hairy vetch	396,100	302,900	1,460,200	619,900
Spring vetch .....	.....	138,600	117,700	247,800

The Seed Laboratory of the Bureau of Plant Industry reports the following imports of forage plant seeds not subject to the Seed Importation Act:

Kind of seed—	September		July 1, '25 to July 1, '24	
	1925 Pounds	1924 Pounds	Sept. 30, '25 to Sept. 30, '24 Pounds	to Sept. 30, '24 Pounds
Bentgrass	6,700	3,700	47,400	32,400
Biennial white-flowered sweet clover	71,000	1,700	134,100	1,700
Biennial yellow-flowered sweet clover	20,200	.....	63,800	11,000
Carpet grass .....	.....	.....	4,200	.....
Crested dog's tail .....	.....	.....	2,200	8,900
Chewings fescue	35,100	122,500	347,500	424,700
Other fescues	106,400	69,600	303,000	173,900
Molasses grass	36,600	.....	36,600	.....
Rescue grass .....	.....	.....	3,100	.....
Rhodes grass	4,900	.....	9,800	2,800
Rough-stalked meadow grass .....	.....	.....	500	2,200
Sainfoin	300	.....	300	.....
Sweet vernal grass	200	.....	200	.....
Tall paspalum .....	.....	.....	.....	4,500
Velvet grass	5,900	.....	5,900	.....
Wood meadow grass	2,200	.....	2,200	.....

*1,322,700 pounds from France, 110,000 pounds from Hungary.

†605,200 pounds from Holland, 183,700 pounds from Poland, 99,200 pounds from Germany, 39,600 pounds from France.

*163,400 pounds from Germany, 76,100 pounds from Czechoslovakia, 65,000 pounds from Denmark, 54,500 pounds from Hungary, 22,800 pounds from Canada, 14,800 pounds from Sweden.

NEW YORK TRADE RETARDED BY
CROP DEVELOPMENTS

By C. K. TRAFON

It is difficult to make a categorical general statement regarding the condition of the New York seed market during the past month. New crops were moving in increasing volume and as a result prices in some cases eased off from 1/2 cent to 3 cents compared with those ruling a month ago. In practically an equal number of cases prices remained unchanged, while only two varieties scored advances.

Crimson Clover experienced a renewal of fairly active demand early in the month which served to offset temporary enlargement in arrivals from abroad, notably from France. In fact, the latter were so well absorbed at that time that it became somewhat difficult to buy new crop seed, as holders in some cases advanced the price to 7 1/4 cents duty paid. Within a short time, however, it became evident that practically all of the urgent requirements had been covered. As a consequence, although arrivals again became smaller, holders, and especially of old crop seed, became more anxious to sell, and this resulted in forcing the general basis back to 6 1/2 @ 7 cents duty paid. Reports from importing circles indicated that the season was virtually over. At the outset shippers offered at 5.30 cents c. i. f., but only a little interest was noted at the former basis of 5.15 cents. Later new crop seed was offered in some cases at 5.25 cents, and it was intimated that further concessions were offered in some quarters, but because of the late-

ness of the season buyers were holding off for still lower prices. Total arrivals were about 7,510 bags, compared with 9,170 during August.

Timothy became one of the market leaders at the outset, general demand being stimulated by heavy rains over a wide area. However, this failed to cause any advance in prices. In fact, it speedily became evident that because of the generally favorable weather for the new crop and the indications of a good yield, growers were becoming more eager to move as much of their seed as possible at prices then current.

Red Top was firm at 23 @ 30 cents at the outset, as stocks were extremely light while demand was quickened by reports of a decidedly short yield. This tendency steadily became more pronounced, as buyers continued alarmed by more gloomy crop advices, and as a consequence the basis was advanced to 31 @ 33 cents. A better export demand also contributed to the strength, the shipments for the month amounting to about 2,175 bags, compared with none for the preceding month.

Red Clover was unchanged momentarily early in the month with domestic seed quoted at 31 @ 32 cents, but before long, as the new crop began to move more freely, selling pressure increased, and with buyers holding off for further concessions the basis was reduced to 24 @ 25 cents. Latterly there has been a striking improvement in sentiment. A reasonable improvement in demand was noted, distributors evidently expecting a more general use of this variety because of its relatively small premium over Alfalfa. More interest was also shown in French Clover for forward shipment owing to poor yields in some of the domestic growing sections where fancy prices were paid for choice seed.

Alfalfa was in poor demand during the greater part of the month and the domestic variety declined about 1 1/2 cents, or to 19 1/2 @ 20 1/2 cents, thus getting down close to the Argentine, which remained nominally unchanged at 19 @ 20 cents duty paid owing to the lack of arrivals and the impossibility of replenishing the meager supply here by purchases in South America. The decline in the domestic price was not surprising in view of the steady enlargement in the new crop movement and a growing belief that our production will be more than enough to cover requirements.

White Clover was generally in poor demand, although there was a steady downward movement which finally forced the general range to 35 @ 40 cents, or about three cents lower than a month ago. European advices also indicated that crops would be fairly large, although doubt as to the quality was evident in some localities. However, the general expectation was that prices would be much lower and, in fact, some shippers got down to the 30 @ 33 cents c. i. f. basis. In this case also the decline failed to interest buyers. Only 15 bags arrived during the month.

CLOVER MOVEMENT RAPID

Prices offered to Red Clover growers this year were the highest since 1919, and those for Alsike Clover seed the highest since 1920. This in a measure accounts for the comparatively quick turnover of seed by growers in 1925. Up to September 29, the Red and Alsike Clover movements were ahead of last year but about the same as two years ago, judging by the figures furnished by the Department of Agriculture. About 15 per cent of the Red Clover and 45 to 50 per cent of the Alsike Clover are estimated to have left growers' hands by that date. Red Clover prices averaged \$1.35 per 100 pounds more, and Alsike Clover \$4.60 more than last year.

The quality of both Red Clover and Alsike Clover is better than last year largely because of better weather at and after harvest. In a number of districts rains occurring the last two weeks of September delayed threshing and probably lowered the quality of some seed.

SUNFLOWER SEED CROP EXPECTED
TO BE SMALLER

Sunflower seed production is expected to be smaller than that of last year, according to the United States Department of Agriculture. The acreage in the Missouri and Illinois districts was considerably reduced largely because of slow demand and unsatisfactory prices last year and fear of over-production and even lower prices this year. Yields per acre probably will be better than last year.

Preliminary estimates point to a production 10-25 per cent smaller than last year (5,000,000 pounds) in Missouri. A reduction of 25-40 per cent in the acreage, however, is offset partially by a 20-30 per cent increase expected in the yield per acre. Reports from Illinois indicate that the acreage will be only about 50 per cent of last year's but that the yield per acre will be better. The crop in the San Joaquin Valley in California probably will exceed that of last year. Although yields there are below normal they seem to exceed the small yields (500 pounds) of last year. Upwards of 1,000,000

(Continued on Page 273)



INDIANA

Arndt & Weinkauff have leased the plant of the Farmers Elevator Company at La Crosse, Ind.

E. A. Benedict is succeeded as manager of the Oxford Grain Company of Oxford, Ind., by Ray Roberts.

An interest in the elevator at Morristown, Ind., has been bought by Harry J. Nading, formerly of Flat Rock.

Ralph Jackson succeeds J. M. Morgan as manager of the Farmers Grain Company at Gilman (Alexandria p. o.), Ind.

The Mexico Elevator & Livestock Company of Mexico, Ind., has installed a large capacity, motor driven Gruendler Feed Grinder.

Oliver Stone is succeeded as manager of the elevator at Colburn, Ind., owned by the Whileman Bros., by Vernon Brown of Ockley.

The elevator and general store of H. W. Winn at Tiosa, near Walnut, Ind., has been traded in by him for the 240-acre farm of John R. Starr of Winamac.

The J. M. Walker & Son Elevator Company has bought the grain elevator of the Shirley Bros. at Middletown, Ind. The Shirley Bros. operated the business for three years.

Two large steel grain tanks are to be built at Huntingburg, Ind., for the Wallace Milling Company to take care of the grain storage, giving the company total capacity of 150,000 bushels.

To deal in coal, grain and wood, the C. M. Piercy Company has been incorporated at Kokomo, Ind., capitalized at \$5,000. The directors are Charles M. Piercy, Harry C. Purcell and Frances R. Purcell.

A grain elevator at Emporia (Anderson p. o.), Ind., has been bought by the H. E. Kinney Grain Company of Indianapolis, Ind., who took possession in September. It was formerly the property of Aiman & Son of Pendleton.

The Farmers Co-operative Elevator Company of Seymour, Ind., is making improvements including the installation of a big feed grinder, new boiler, and seed cleaner, and the engine is being rebuilt. George Breitfield is manager.

The Mt. Vernon Milling Company of Mt. Vernon, Ind., is erecting an addition to its property with capacity of between 40,000 and 50,000 bushels corn, increasing the storage capacity to 175,000 bushels. Other improvements are being made.

EASTERN

A new building is to be erected by the Morgan County Farmers Elevator Company at Malta (Dalmatia p. o.), Pa. It will be frame, one-story, size 48x55 feet.

The Superior Elevator at Buffalo, N. Y., has been bought by a syndicate of Syracuse, N. Y., headed by Mr. Chapman. The elevator has a capacity of 3,000,000 bushels.

Grain elevators at Detour and Keymar, Md., have been bought by E. H. Sharetts and H. J. Allender. They will operate and probably convert the elevator into a flour mill.

A grain and feed store has been opened at Columbus, Pa., by F. D. Schrambling in which he will handle all kinds of feed, grain, fertilizer and other grist mill products under the name of the Columbus Grain & Feed Company.

A. J. Gallagher is now associated with the New-some Feed & Grain Company of Pittsburgh, Pa. The company will establish a millfeed department with Mr. Gallagher in charge.

The Brooklawn Grain & Feed Store has been incorporated at Bridgeport, Conn. Morris Gross is president and treasurer and Alexander Shapiro, secretary, of the company.

The Philadelphia Grain Elevator Company, a subsidiary of the Reading Railroad, has let the contract for the new 2,500,000-bushel elevator which it will build at Philadelphia, Pa., to the M. A. Long Company. Plans are so drawn that it can be enlarged to 5,000,000 bushels at a later date. It will be of reinforced concrete and when complete will consist of workhouse, equipped with automatic grain car unloading machines, elevators, conveyors, grain cleaning and separating machines, storage annex, grain driers, shipping pier with conveyor gallery containing six 36-inch belt conveyors. The main storage will consist of 110 cylindrical bins each with ca-

capacity of 15,000 bushels; also 86 interstice bins with capacity of 350,000 bushels.

To deal in grain and produce, the Cortland G. L. F. Service Company has been incorporated at Cortland, N. Y. The incorporators are L. W. Rorapaugh, D. E. Bennie and T. B. Clausen.

Articles of incorporation have been filed by the Federal Grain Company, Inc., with its headquarters at Providence, R. I. The company will trade in grain and general merchandise. The incorporators are: Edward F. Fletcher, Frank T. Easton and Clifford A. Brownell.

Reports are current that the Canadian National Railways is ready to sell to the State of Maine the Grand Trunk docks and grain elevator at Portland, Maine. The Canadian Maritime Provinces have long been opposed to the further development and improvement of the Grand Trunk terminals in the United States and have urged that further expenditures be made on water terminals within Canadian territory.

THE DAKOTAS

H. H. Egar is building a fourth elevator at Park River, N. D.

A grain elevator at Scranton, N. D., has been bought by H. E. McKennet.

A new elevator is being built at Danzig, N. D. It replaces the one which burned last year.

J. G. Ryan has completed a 25,000-bushel elevator at Holabird, S. D. It has modern equipment.

The Montana & Dakota Elevator Company is operating the L. B. Geisler Elevator at Groton, S. D.

Repairs are to be made to the elevator of the McCanna Farmers Elevator Company of McCanna, N. D.

The Fullerton Elevator at Fullerton, N. D., has been repaired and new legs and other equipment installed.

General repairs have been made to the elevator of the Farmers Grain Company of Devils Lake at Lakota, N. D.

Frank Davis of the Farmers Elevator has opened the Waterman Elevator at Waterman (p. o. Faulkton), S. D.

The new 60,000-bushel elevator which Hugh McGillivray built at Dickinson, N. D., has been opened for business.

The Farmers Elevator Company of Gackle, N. D., has changed its name to the Farmers Co-operative Elevator Company.

Galvanized iron covering is to be put on the Farmers Elevator at Rutland, S. D., and other improvements are to be made.

A new elevator of 35,000 bushels' capacity has been completed at Spring Brook, N. D., for the Farmers Elevator Company.

Improvements have been made to the elevators of the Spaulding Elevator Company at Silva, Harlow, Loma and Baker, N. D.

The elevator of the Independent Elevator Company at Belfield, N. D., has been bought by Axel Erickson and A. J. Beaudoin.

The elevator and mill at Ipswich, S. D., have been leased by J. M. Schatz. He will buy grain for shipping and grind feed for the farmers.

A three-story building is to be built at Hot Springs, S. D., for the Midwest Grain Company which will treble the capacity of the company.

The A. L. Martin Grain Company has opened the elevator at Sentinel Butte, N. D., known as the Hart-Robinson Elevator. Harold Holthe is manager.

Capitalized at \$25,000, the Antelope Grain Company has been incorporated at Antelope, N. D. G. W. Genner, J. E. Geisler, H. K. Sinabitz are the incorporators.

The International Elevator Company has built a 50,000-bushel, 12-bin elevator at Ashley, N. D. The company has also completed a 25,000-bushel elevator at Hamlet.

The elevator and coal business at Fairmount, N. D., which J. J. Turbak has been operating, has been sold by him to the Acme Elevator Company of Minneapolis. Improvements are to be made on the elevator at once.

The elevator of the Lamb Elevator Company at Michigan, N. D., with capacity of 100,000 bushels has been remodeled. New machinery has been installed. All the legs and cleaning machinery are op-

erated by six individual motors. A new large direct spout has been completed, facilitating the loading out of grain.

Articles of incorporation have been filed by C. H. Wirtz, J. M. Wash, and W. A. Lilyquist as the Knox Elevator Company of Knox, N. D. The firm is capitalized at \$25,000.

Joseph Workhittel, Michael Gish and J. B. Fredricks are among those who have incorporated at Huff, N. D., as the Huff Grain Company. The firm is capitalized at \$10,000.

A new 1,500-bushel modern automatic scale and 10-horsepower engine have been installed in the elevator of the Farmers Union Grain Company of Aberdeen, at Randolph, S. D.

The Lemert Grain Company will replace its elevator at Lemert (Cathay p. o.), N. D., which burned, with a larger house. The old elevator was partly covered with \$12,000 insurance.

A feed grinding unit has been installed in the elevator of the Crooks Grain Company of Crooks, S. D., of which George Crooks is manager. A double electric attrition mill is included.

C. L. Packard has bought the Farmers Elevator at Edgeley, N. D., of which he was manager for a number of years. He has made some improvement and installed considerable new machinery.

Improvements are being made to the elevators of the Great Western Company of Steele, N. D., in the elevators at Steele, Burleigh and Wing. Strong-Scott Dumps are also being installed.

The 20,000-bushel elevator of the Kranzburg Grain & Fuel Company of Kranzburg, S. D., has been moved from Appleby to Kranzburg where it replaces the elevator and warehouse which burned last July.

Extensive repairing and remodeling has been done by Frank Pettyjohn to the elevator at Pierre, S. D. The building has been painted, and a Howe Dump Scale and new motors with automatic switch installed.

The Atlas Elevator Company of Manchester, S. D., has completed a new 25,000-bushel elevator. In addition to this, repairs and improvements have been made by the company on several of its other elevators.

The Winfred Grain Company of Winfred, S. D., has been incorporated to conduct a grain and coal business. C. E. Rice is to be manager at the C. E. Rice Elevator. J. R. Shirey, W. J. Armstrong, E. G. Rice and Charles E. Rice are interested.

The Farmers Grain Company of Crocus, N. D., has let the contract for a new 30,000-bushel, 12-bin elevator. A scale and Strong-Scott Dump are included in the equipment. Other improvements were made to the company's elevators at Lakota, Klotten and Webster.

MINNESOTA AND WISCONSIN

The Gillespie Elevator at Argyle, Minn., has been leased by C. H. McCarthy.

A new elevator is being erected at Ashippun, Wis., by the Ashippun Lumber Company.

A new elevator is to be built at Lake Lillian, Minn., replacing the one which burned.

W. L. Coughlin is erecting a new elevator at Clyman, Wis. He is also installing a new feed grinder.

A grain elevator is to be built at Royalton, Minn., for W. F. Ahlrecht. It will replace the one which burned.

J. B. Sample has bought the Spring Valley Grain Elevator at Spring Valley, Minn., owned by J. M. Spalding.

The elevator at Bear Creek, Wis., formerly owned by the Bear Creek Co-operative Company has been bought by A. W. Kieselhorst.

The Aetna Grain Company has bought the elevator of Gackle & Co., at Danube, Minn. The new owner has installed a truck dump.

Jos. Hilsdorf is operating a small elevator at Wilton, Minn. He is adding machinery necessary for making stock and chicken feeds.

The Independent Grain Company of Minneapolis has bought the elevator of the Melrose Milling Company at Melrose, Minn. The company will remodel and use as a feed manufacturing plant.

The King Midas Milling Company has bought the elevator at Medford, Minn., which was owned by R. E. Jones & Co., of Wabasha, Minn., under the

management of J. D. Adams. T. E. Lahart will be manager of the elevator in the future.

The Witthouser Elevator at Slinger (r. d. Ackerville), Wis., has been bought by Albert C. Thiel, who will operate as the Slinger Grist Mill.

Improvements were recently completed at the Farmers Elevator at Mankato, Minn. A new Howe Scale was installed and truck dump put in.

Modern equipment including Strong-Scott Dump and 10-ton scale has been installed in the Farmers Elevator Company's elevator at Correll, Minn.

James T. Mallon is now associated with the La Budde Feed & Grain Company of Milwaukee, Wis., in its grain department. He is a well known grain man.

The Springfield Milling Company has bought the property of the Comfrey Farmers Elevator Company at Comfrey, Minn. The management has been taken over by the new owners.

The Erwin Elevators at West Union, Round Prairie, Browerville and Long Prairie, Minn., have been bought by J. L. Kearns of Minneapolis. He will take charge at once.

IOWA

Business has been resumed in the Zaneta Elevator at Stout, Iowa.

The Good Bros. of Hamburg are planning to erect a grain elevator at Riverton, Iowa.

The Farmers Elevator Company of Alta, Iowa, is to install a new feed mill this fall.

New motors have been installed by the Farmers Elevator Company at Salix, Iowa.

A modern air pump has been installed in the elevator of Elliott & McBeath at Whiting, Iowa.

Electric motors have been installed by the Dinsdale Grain & Coal Company of Dinsdale, Iowa.

A new warehouse has been built at Allison, Iowa, for the Farmers Co-operative Elevator Company.

John H. Nye succeeds L. H. Chase as manager of the Farmers Elevator Company at Pilot Mound, Iowa.

The T. E. Moen & Sons Elevator at Inwood, Iowa, has been bought by the Klein Bros. Elevator Company.

The building of the Farmers Co-operative Elevator Company at Tama, Iowa, has been leased to N. S. Beale & Sons.

The elevator of the H. Dreyer, Jr., estate at Applington, Iowa, has been bought by the Farmers Elevator Company.

A lightning protection system has been installed on the elevator of the Farmers Elevator Company of Ellsworth, Iowa.

Ed Sulgrove is manager of the Farmers Co-operative Elevator Company at Bridgewater, Iowa, succeeding Arthur Louk.

D. M. Basler is succeeded as manager of the elevator at Stonoga (mail to Webster City), Iowa, by T. M. French of Des Moines.

The coal sheds of the Farmers Elevator Company at Randolph, Iowa, have been rebuilt and general repairing is being done.

The elevator and warehouse of the Omer Reliable Products Company, Ontario, Iowa, are to be rebuilt. It was burned with a loss of \$15,000.

The seed house of the Farmers Elevator Company at Clutier, Iowa, has been rebuilt and new elevator belt and buckets installed.

The name of the Farmers Elevator, formerly of Crooks, but now of Palm Grove, Iowa, has been changed to the Farmers Exchange.

The Farmers Elevator at Storm Lake, Iowa, is to be conducted in the future by C. E. Voyles of Meriden. He succeeds George Burnmeister.

The Kunz Elevator at Frederickburg, Iowa, has been bought by George Richardson who has been manager of the elevator for 14 years.

The elevator of the Galva Union Elevator Company, A. J. Nelson, manager, at Galva, Iowa, has been overhauled and buildings repaired.

The Farmers Co-operative Company of Mondamin, Iowa, is to remodel its elevator and install new machinery including a truck scale and truck dump.

The North Iowa Grain Company is wrecking its elevator at Miller, Iowa, and will replace it with a new one in about two months. A. H. Nonweiler is manager.

N. W. Wallstad is president; A. M. Sorenson, vice-president; George Hanson, secretary-treasurer, of the recently incorporated Farmers Co-operative Company of Moorland, Iowa. The firm is capitalized at \$50,000.

Boyd B. Neville is president; F. O. Bender, vice-president; E. P. Knox, secretary and treasurer of the Farmer Grain Company which has been incorporated at Clearfield, Iowa. The firm is capitalized at \$20,000.

The Trans-Mississippi Elevator Company has made plans for the erection of a 50,000-bushel elevator at Anthon, Iowa. The old elevator of the

company at this place, which has been closed for three months, will be torn down to make room for the new building.

The elevator of the Farmers Mutual Co-operative Association, Orange City, Iowa, has been repaired and equipped with a new grinder. D. Vanderburg is manager.

The contract has been let by J. E. Kennel of Fremont, Iowa, for a modern elevator replacing the one which burned. The building will be ready by November 1.

The Farmers Elevator Company has been incorporated at Dayton, Iowa, capitalized at \$40,000. G. G. Weaver is president and C. A. Thorne, secretary of the company.

A frame building is being erected near the elevator of the Cannon Bros. Elevator Company at Paullina, Iowa. A feed grinder and other equipment will be installed.

The capital stock of the Highview Farmers Grain Company of Highview (p. o. Webster City), Iowa, has been increased from \$10,000 to \$25,000. F. L. Schweppe is interested.

The Farmers Grain Company's elevator at Hewarden, Iowa, has been opened for business under the name of the New Farmers Grain Company. Virgil Jones will be manager.

The elevator and feed mill of the King-Wilder Grain Company at Wheatland, Iowa, have been bought by Chas. Harber. It will be operated as the Harber Grain & Feed Company.

The grain elevator of the Farmers Union Grain Company at Lakeview, Iowa, has been sold to Eric Scott who will continue the business. The farmers company has run the business for five years.

Francis Devaney is to operate the elevator at Le Mars, Iowa, formerly operated by the Moore Bros., owner of the Le Mars Grain Company. He will operate as the Devaney Feed & Grinding Industry.

The articles of incorporation of the Barnum Elevator Company of Barnum, Iowa, have been renewed for another 20 years. The firm is capitalized at \$20,000. M. J. O'Brien, P. O. Conners and Jas. A. Dwyer are interested.

Improvements have been made and a 10-horsepower motor installed in the Hunting Elevator at Chester, Iowa. The elevators of the Hunting company at Lime Springs, Rock Valley and Hartley, Iowa, were also improved.

The Farmers Grain & Coal Company of Pocahontas, Iowa, has been reorganized as a co-operative company under the name of the Farmers Co-operative Company. The directors are A. W. Vosika, president; John Bartosh, secretary and treasurer.

SOUTHERN AND SOUTHWESTERN

B. M. Miller and C. C. Miller have incorporated at Altus, Okla., as the Altus Grain & Feed Company.

H. G. Isbell and Jess Kitching have organized at Dallas, Texas, as the Isbell-Kitching Grain Company.

The capital stock of the Belt Mill & Grain Company of Oklahoma City, Okla., has been increased to \$10,000.

One of the grain elevators of A. Waller & Co., of Henderson, Ky., has been sold to the Wallace Milling Company.

Three new elevators are being built in Oklahoma at Sandy Hook, Keys and Boise City, by the L. H. Pettit Grain Company.

Additional storage space has been added to the elevator of the Halbert Grain Company of Turney Switch (Turney p. o.), Texas.

A grain elevator of 12,000 bushels' capacity is being built at Boise City, Okla., by S. L. Gamble, grain dealer of Elkhart, Kan.

The capital investment of the Lipscomb Grain & Seed Company of Missouri in Oklahoma has been increased from \$5,000 to \$10,000.

The Southern Pacific Terminal Company has bought the Sunset Elevator at Galveston, Texas, with capacity of 1,000,000 bushels.

A warehouse is being built at Clinton, Ark., by M. B. Lefler & Son, grain merchants, for accommodating their flour and feed department.

A modern brick warehouse is to be built at Paris, Ky., replacing the warehouse and elevator of R. F. Collier which burned a short time ago.

The Northwestern Elevator Company of Frederick, Okla., is handling field seeds now in addition to grain and other elevator sidelines.

The C. A. Jones Flour & Grain Company of Birmingham, Ala., has been bought by the Bradshaw-Plosser-Tindall Flour & Grain Company.

The Santa Fe Grain Company of Friona, Texas, has been incorporated. It has operated a country elevator there for 12 years. Carl Maurer is president.

A 12,000-bushel studded ironclad elevator is to be built at Amherst (Sudan p. o.), Texas, for the Halls Farms Company. The equipment will include

a Howe Truck Scale, modern automatic scale, automatic dump, 7½-horsepower enclosed ventilated motor.

T. F. Bush and A. E. Ruhmann have incorporated as the Ruhmann Grain & Fuel Company at Waco, Texas. The firm is capitalized at \$80,000.

Capitalized at \$10,000, the Williams Grain & Produce Company has been incorporated at Magnolia, Ark. M. E. Williams is president of the firm.

The Leslie Floyd Grain Company's elevator at Lockney, Texas, has been bought by the Baker Mercantile Company. Arch Keys will be in charge.

G. C. Henderson and Sam Strader have incorporated at Ft. Worth, Texas, as the Henderson Grain Company. The firm is capitalized at \$50,000.

An eight-bushel grain scale is being installed in addition to other improvements for the Clarksville Mill & Elevator Company of Clarksville, Tenn.

The J. G. Smith Grain Company has erected a new elevator at Gatesville, Texas, on the site of the one which burned last January. J. G. Smith is president of the company which handles corn, hay, oats and other feedstuffs.

MISSOURI, KANSAS AND NEBRASKA

A new elevator is to be built at Bartley, Neb., for the Bartley Equity Exchange.

The Wenzel Grain & Feed Company of Wichita, Kan., has discontinued its business.

The elevator of the Farmers Grain Company at Plattsmouth, Neb., is to be sold at auction.

John Dueber succeeds Earl Scott as manager of the Farmers Elevator Company of Tipton, Mo.

E. E. Smith of Bartley has bought the Duff Elevator at Indianola, Neb. A. C. McNeil is manager.

A modern elevator is to be built at Cozad, Neb., for the Farmers Elevator Company at an early date.

The property of the Farmers Elevator & Milling Company at Hastings, Neb., has been sold at auction.

J. H. Westphalen has resigned his position as manager of the Gretna Elevator Company at Gretna, Neb.

Capitalized at \$10,000, the Formoso Elevator Grain Company has been incorporated at Formoso, Kan.

A large coal shed with concrete floor has been built at Hawk Point, Mo., for the Farmers Elevator Company.

Harry Larson succeeds Gus Eberhard as manager of the Hampton Elevator Company of Hampton, Neb.

Capitalized at \$15,000, the Englewood Grain & Supply Company has been incorporated at Englewood, Kan.

The Union Grain Company of Rozel, Kan., has installed two 7½-horsepower self-enclosed ball bearing motors.

The elevator and coal business of J. L. Wiles at Weeping Water, Neb., have been bought by the Switzer Bros.

Kenneth Matheson is manager of the Farmers Elevator at Gordon, Neb., succeeding S. J. Moore who resigned.

The Friesen Grain Company of Lehigh, Kan., is adding coal sheds to its grain handling equipment at Lehigh, Kan.

A. J. Place has bought at auction the property of the Jamesport Farmers Mill & Elevator Company at Jamesport, Mo.

A controlling interest in the Farmers Elevator Company at Petersburg, Neb., has been bought by B. J. Bingwerth.

The grain business at Sidney, Neb., formerly handled by Henry Freytag, has been taken over by Blain Grabill.

The Farm Club & Feed Company of Springfield, Mo., has leased a large elevator and warehouse at Centralia, Mo.

The grain end of the business of the Farmers Grain & Livestock Company of Crofton, Neb., has been discontinued.

The Alma Co-operative Equity Exchange, Alma, Neb., will erect a new elevator there, replacing the one which burned.

The Farmers Elevator Company has bought the Van Wickle Elevator at McCook, Neb., and will use it for the storage of grain.

A 10,000-bushel cribbed elevator, ironclad, with feed grinding equipment, is being built at South Omaha, Neb., for Lehmer Bros.

R. H. Glandon is succeeded as manager of the office of B. C. Christopher & Co., at Dodge City, Kan., by W. M. Patterson of Great Bend.

A. J. White is now manager of the Norwood (Ottawa p. o.), Kan., elevator. He resigned his position with the Ives-Hartley Lumber Company.

The elevator of the Wyandotte Elevator Company of Kansas City, Mo., is to be regular for deliveries only. Only the amount of wheat on which ware-

house receipts are registered for delivery will be included in the daily report of grainstocks at Kansas City.

Mr. Swanson of Ogg, Neb., has been elected manager of the Farmers Elevator Company of Brock, Neb., and took over the management on October 1.

The elevator at Rossville, Kan., formerly owned by Dougan & Sons, has been bought by F. L. Slipsager, who will operate under his own name.

The contract has been let by the Farmer Elevator Company for the erection of a new elevator at Callaway, Neb. It will be of cribbed construction, ironclad.

A truck dump is being installed and other improvements made by the Farmers Grain & Livestock Association of Hordville, Neb. C. O. Rodine is manager.

The property of the Adams Mill & Elevator Company of Winfield, Kan., has been bought by H. E. Grothe of Kansas City. He is planning to rebuild the plant.

S. F. Peters of the Peters Grain Company has bought the property of the defunct Farmers Elevator Company of Greenwood, Neb. The property brought \$6,000.

Russell Payne is now Kansas representative of the Consolidated Elevators Company of Hutchinson, Kan., replacing H. Lucas who has entered the brokerage business.

Charles Redman purchased at receiver's sale the mill and elevator formerly owned by the Farmers Elevator & Milling Company at Doniphan, Neb. He paid \$5,000 for the property.

The elevator at College View, Neb., has been sold by the W. T. Barstow Grain Company to the Brestlow Grain Company of Lincoln, which will install feed grinding equipment.

A grain elevator was recently completed at Red Cloud, Neb., by the Farmers Union Co-operative Association. The elevator is modern in every particular and is operated by electricity.

A new elevator is being built at Fairfax, Mo., for the Fairfax Grain Company. Wm. Stewart is president of the company, which will begin operations about November 15 in its new house.

The Potts-Small Grain Company of Pawnee City, Neb., has bought the grain elevator of John Dobbs at Armour, Neb. It is being moved to replace the elevator torn down on the Burlington Railroad.

The Isaacson Bros. have bought the elevator of C. E. Wyman at Scandia, Kan., and took possession October 1. On July 15, Mr. Wyman bought the interests of his partner, J. J. Smith, in the property.

The C. H. Nold Lumber Company of St. Joseph has bought the business interests of the A. J. Elevator Company at Ferrelview (p.o. North Kansas City), Mo., although the A. J. company retains the elevator.

A new addition is being erected at the elevator of the Bossemeyer Bros. at Superior, Neb., which will bring the capacity to 80,000 bushels. Considerable new machinery will be installed, including new corn cutter, feed crusher, etc.

A 12,000-bushel elevator is to be built on the W. H. Ferguson Farm at Bayard, Neb. It will be used for feeding operations on the farm. Machinery for grinding grain and for grinding Alfalfa hay and other feeds is to be installed.

The elevator of the Duff Grain Company at Wilcox, Neb., and the Bruce Elevator have been bought by the Wilcox Grain Company. The latter will be used for storage. An electric motor and dust collectors are to be installed in the former Duff plant.

Gage & Co., of Memphis, which bought the properties of the Mississippi County Elevator Company at Charleston, Mo., in August, have transferred them to the Mississippi County Grain Company, a new company. Wm. Holloway will be general manager. The holdings include the flour mill, elevator and cotton gin in Charleston and gins at Bertrand, East Prairie, and Deventer.

WESTERN

The Farmers Elevator at Buckingham, Colo., is under the management of John Lewis.

O. E. Camburn has taken charge as manager of the Farmers Elevator Company at Nashua, Mont.

The elevator at Hayden, Colo., has been leased by C. M. Dinius and Thomas Mainland. Mr. Dinius is in charge.

Business has been resumed in the elevator and flour mill of the Beaverhead Milling Company of Dillon, Mont.

Business operations have been started in the 38,000-bushel elevator of the Swift Grain Company of Big Timber, Mont.

The grain department of the Farr Produce Company at Greeley, Colo., is to be under the management of C. T. McConnell.

The Boyd-Conlee Company is building a grain elevator at Spokane, Wash., at a cost of \$45,000. The elevator will have capacity for 150,000 bushels, in addition to the present storage of 35,000 bushels. The

elevator will contain a six-story modern gravity cleaning plant which can handle 600 tons of grain a day.

The business of the Etcheverry Warehouse Company of Tres Pinos, Calif., has been bought by the Lathrop Hay & Grain Company.

The grain houses of the Gary Hay & Grain Company at Livingstone, Mont., have been leased by Strauss & Co., who will operate them.

A new warehouse with capacity of 12,000 sacks has been completed at the property of the Cottonwood Elevator Company of Cottonwood, Idaho.

The Wasco Warehouse & Milling Company of The Dalles, Ore., has doubled the capacity of its grain storage plant, which is now 300,000 bushels.

The Steamboat Farmers Co-operative Elevator Company, Steamboat Springs, Colo., has been reorganized as the Steamboat Elevator, Milling, Storage & Trading Company. Its capital stock is \$50,000.

Articles of incorporation have been filed in Idaho by the Trinidad Bean & Elevator Company of Colorado. The company has designated T. F. Duncan of Twin Falls as authorized agent of the state.

The Northern Grain Company has taken over the affairs of the Scobey Grain Company of Scobey, Mont. It is the purpose of the new owners to build several grain elevators. M. Bayer of Minot, N. D., is general manager of the Northern Grain Company.

Additional storage of 75,000 bushels has been added to the property of the Placer Company of Lincoln, Calif., increasing the capacity to 175,000 bushels. A barley roller will be purchased, replacing the one which is not large enough for the business.

Improvements are being made to the plant of the Union Supply Company of Burbank, Calif., which will double the capacity of the house for handling bulk grain. The improvements consist of the addition of a second story to the building and installation of new machinery, including a cracked corn machine, barley huller and cleaning machine.

Operations have been started in the new elevator of Nils Hoff at Idaho Falls, Idaho. The latest improved machinery has been installed in the addition, which will have a capacity of 12 carloads of grain. Mr. Hoff has been in the grain and allied industries since 1897, when he came to Idaho Falls. He conducted an elevator until 1909, when he sold out to Losch Bros. Since then he has been in the coal, ice, hay and feed business.

ILLINOIS

The Lanesville Farmers Grain Company of Lanesville, Ill., has sold its elevator.

The Saunemin Elevator Company of Saunemin, Ill., is installing a 15-horsepower motor.

A concrete elevator is to be built at Ivesdale, Ill., for the Ivesdale Co-operative Grain Company.

A grain elevator is to be built at Columbia, Ill., for the Columbia Farmers Co-operative Grain & Elevator Company.

The L. T. Jones Elevator at Taylorville, Ill., is being torn down by its new owners and a modern building is to be erected.

A modern grain elevator is to be built at East St. Louis, Ill., for the Columbia Farmers Co-operative Grain & Elevator Company.

The capital stock of the Export Elevator Company, an Illinois corporation, at Chicago, has been increased from \$25,000 to \$100,000.

The Illinois Milling & Elevator Company of Decatur, Ill., has bought the elevator at Morrisonville, Ill., owned by the Louise Johnson Estate.

The elevator of A. F. Davis at Fairbanks (Arthur p. o.), Ill., has been bought by Dr. F. C. Phillips of Arthur and Howard Huckleberry of Sullivan.

New machinery has been installed in the elevator of the Wyeth & Harlin Elevator Company of Fairgrange, Ill., replacing that destroyed by fire in July.

Fenno Dewey, manager of Dewey & Co., grain merchants of Annawan, and Harry Dewey have bought the elevator and grain business of Mr. Ely at Mineral, Ill.

A 20-horsepower and a 25-horsepower motor has been installed by the Findlay Grain & Coal Company of Findlay, Ill. A cob burner is being erected at its South Elevator.

A new elevator belt has been put in and general repairing done on the elevator of the Manlius Grain & Coal Company of Manlius, Ill. H. S. Studyvin is manager.

To handle grain, the G. E. Willis & Co., have been incorporated at Mt. Vernon, Ill. The firm is capitalized at \$20,000. G. E. Willis, W. A. Silkers and R. Grant are interested.

A new elevator is being built at Patton (Mt. Carmel), Ill., for the Pioneer Grain Company. The firm has elevators at Eastown and in Mt. Carmel, where its headquarters are located.

Gus Kilver succeeds Ray Ryan as manager of the Farmers Elevator at Pisgah (mail Jacksonville), Ill. The vacancy at Winchester has been filled by

H. J. Fuller, manager of the elevator at Murrayville, which is now managed by E. W. Bochevitz of Harvel.

To deal in grain, feed, lumber and coal, Pick Bros., Inc., have been incorporated at Mt. Carmel, Ill., capitalized at \$50,000. The incorporators are H. A. Elkins, E. R. Orr and A. Frank Orr.

Capitalized at \$10,000, the Springfield Sales Corporation has been incorporated at Springfield, Ill., to deal in grain, flour, feed, etc. Rose Knopping, William Knopping and S. D. Friedman are interested.

The W. L. Miller Company has been incorporated at Marengo, Ill., to handle grain, feed mill, coal and building material. The incorporators are E. C. Miller, W. L. Miller and W. W. Miller. The capital stock of the firm is \$5,000.

The elevator of the Heeman Farmers Co-operative Company, at Heeman, located between Warrensburg and Latham, Ill., has been bought by Bruce Fredericks, representing the directors of the firm. G. W. Morrison of Decatur is manager.

CANADA

F. E. West of Swift Current, Sask., has sold two grain elevators to the Saskatchewan Wheat Pool.

The erection of an elevator by the Saskatchewan Wheat Pool has been commenced at Bulyea, Sask.

Capitalized at \$250,000, the Greenmand Grain Company, Ltd., has been incorporated at Winnipeg, Man.

The Vancouver Terminal Grain Company, Vancouver, B. C., is building a new office at a cost of \$9,000.

The Vancouver Terminal Grain Company, Ltd., of Vancouver, B. C., has overhauled its grain elevator and new spouts are being installed.

The new 1,250,000-bushel elevator at Prince Rupert, B. C., erected for the Department of Trade and Commerce, is to be completed by November 11.

The Saskatchewan Co-operative Wheat Producers, Ltd., Regina, Sask., will erect four elevators with capacity of 32,000 bushels of standard design in four localities yet to be announced.

The Valentine interests have made plans for the erection of a 500,000-bushel elevator at New Westminster, B. C., and have plans for buying a site for a grain elevator at Victoria, B. C.

The United Grain Growers have commenced work on their new elevator at Stettler, Alta. The elevator will have a capacity of 45,000 bushels and will be on the same site as the old elevator.

H. Sculthorp & Son, Ltd., have been incorporated at Toronto, Ont., to conduct the business of H. Sculthorp & Son at Port Hope, whose assets were taken over by Morrow & Co. Charles S. Morris is president. One of the warehouses is located at Toronto, while the bean cleaning elevators are at Tottenham and Dashwood, Ont.

At a recent organization meeting of the Great Lakes Elevator Company, Ltd., Toronto, Ont., D. J. Kennedy was elected vice-president; and W. Christie, secretary-treasurer. The directors elected include W. P. Telford, D. J. Kennedy, W. J. Christie, F. Brown, M. D. Lemon, D. Christie and H. Fleming. The Barnett McQueen Company, Ltd., is doing rapid work on the company's new elevator.

OHIO AND MICHIGAN

A grain elevator is to be built at Palms, Mich., for A. R. Thomas.

Conrad Dyer of Dola is manager of the Farmers Elevator at Williamstown, Ohio.

W. E. Hutton has sold his grain business at Frankfort, Ohio, to Elias Hutton.

A 10,000-bushel elevator is to be built at Belmore, Ohio, for George Dull of Deshler.

Capitalized at \$5,000, the Detroit Malt & Grain Company has been incorporated at Detroit, Mich.

A new building is to be erected at Malta, Ohio, for the Morgan County Farmers Elevator Company.

The Dawn Grain & Supply Company of Dawn, Ohio, has taken over the business of William P. Hiegel.

The Orr Bean & Grain Company of Midland, Mich., has opened a buying station at Smith Crossing, Mich., for beans.

The name of the Orange Elevator Association of Whittemore, Mich., has been changed to the Losco Elevator Company.

The elevator at Spring Valley, Ohio, formerly leased by the Farmers Exchange has been taken over by Hiatt & Son.

The Williamston Elevator Company of Williamston, Mich., has bought the bean elevator of O. D. Corwin. Edwin Kuehn will be manager.

Charles J. Hunt, O. W. Bennett and Richard C. Ewing have incorporated at Cincinnati, Ohio, as the Fairmount Elevator, Inc. The firm is capitalized at \$10,000.

The warehouse formerly occupied by the Theobald Milling Company, Toledo, Ohio, is now occupied by the Star Elevator Company which has remodeled

the property. The elevator's former warehouse is being wrecked to make way for the new union station.

A grain elevator is to be built at Eldorado, Ohio, for Fred Schlientz & Son. The elevator at Fiat, Ind., has also been bought by the firm.

E. B. Hepker succeeds J. P. Carey as manager of Chatterton & Sons' Elevator at Mt. Pleasant, Mich. Mr. Hepker has been in the elevator business for 17 years.

The stock of the Fostoria Storage & Transfer Elevator Company at Fostoria, Ohio, formerly held by W. E. Townsend of the Townsend-Ward Company of Buffalo, N. Y., has been bought by S. L. Rice, manager of the Metamora Elevator Company of Metamora, Ohio. A. T. Ward, who for the past 19 years, has been connected with the Townsend-Ward Company, has sold his stock in that company, but will remain in charge of the Fostoria plant and in addition will act as manager of the Seneca Grain Company of Fostoria. The Fostoria storage will continue as a public elevator,

transferring, drying, clipping, cleaning, bleaching and sacking grains. In addition, the company has in operating condition 250,000 bushels of fireproof storage capacity.

An addition is being built to the elevator at Wilson, Mich. The materials were brought from Reed City, where the old Gleaner Elevator was razed.

The Baltimore & Ohio Elevator at Fairport (r.f.d. Fairport Harbor), Ohio, has been leased by the Jenkins Elevator Company which has its headquarters at Cleveland.

The Farmer-Gleaner's Elevator at Ithaca, Mich., has been bought by Chatterton & Son. H. E. Chatterton started in business 24 years ago when he and his father bought the Mt. Pleasant (Mich.) Elevator.

The Farmers Co-operative Elevator at Emery Chapel (r.f.d. Springfield), Ohio, has been bought by A. W. Tullis of Zenia and Robert Ireland of Wilmington. The name has been changed to the Emery Feed & Grain Company.

OBITUARY

AKERS.—Col. Wm. G. Akers died at his home in Little Rock, Ark. He was 84 years old. He was a pioneer flour and feed miller and had been a resident of Arkansas since 1865.

BOWEN.—Lem W. Bowen, president of D. M. Ferry & Co., seed dealers of Detroit, Mich., died on September 9 at his home in Detroit, aged 68 years. His widow and four sons survive him. He was first associated with D. M. Ferry & Co. in 1879. In 1889 he was made treasurer of the firm; general manager in 1901; and president and general manager in 1908, following the death of D. M. Ferry.

CAMPBELL.—Wilfred R. Campbell, aged 49 years, died from injuries received when he was struck by an automobile. He was a member of the Winnipeg Grain Exchange, Winnipeg, Man.

CHRISTOPHER.—On September 25, B. C. Christopher died at his home in Kansas City, Mo., from pneumonia. He was at the head of B. C. Christo-

phers, Inc., the amalgamation of that company with the Andrew Gage Company he was secretary and manager of the International Elevator Company, the new company.

HUBBARD.—John Hubbard died on September 18 from injuries received when he was thrown from a horse. He was 84 years old and for years was in the wholesale seed business at Evansville, Ind. He moved to Hopkinsville, Ky., a few years ago.

JACOBSON.—Arthur Jacobson, a state grain in-

spector living at Portland, Ore., was drowned recently. He is survived by his widow and son.

KUEHN.—Ernest V. W. Kuehn died on October 9 at Toledo, Ohio, where he had for years been a member of the Produce Exchange. He was vice-president and assistant secretary of Crumbaugh-Kuehn Company, seed dealers.

MACWATTY.—Charles Macwatty, for years in grain business in New York, died at Birkenhead, England, on September 5, while there on a vacation. He was first associated with Edward Beatty and was later a partner of Macwatty & Flahive. He retired in March.

MOONAN.—John Moonan of New York City died recently. He was a pioneer hay merchant. He retired two years ago, at the age of 73 years, because of poor health.

ROBERTS.—Eli C. Roberts died at Kalamazoo, Mich., recently after a long illness. He was for years operator of an elevator at Lennon.

SHOFNER.—John C. Shofner died recently at Nashville, Tenn. He was a retired grain dealer who for many years had been associated with the Neil-Shofner Grain Company.

STAUFFER.—Andrew S. Stauffer, aged 52 years, a well known grain man of Palmyra, Pa., was fatally injured when he fell from a motor truck, on September 16.

SWAN.—Thomas Swan, aged 71 years, died on October 6 after a brief illness. He was a well known grain dealer of Wisconsin and lived at Mukwonago, Wis. His widow, two sons and one daughter survive him.

TRUMPLER.—Walter G. Trumpler, a well-known grain and seed dealer of Tiffin, Ohio, died, aged 48 years, from heart trouble at his home in Tiffin. He was manager of the Farmers Exchange Elevator. He left a widow and son.

WARREN.—Fred T. Warren died at Philadelphia, Pa., recently. He was a retired hay dealer and one of the older members of the Commercial Exchange, Philadelphia.

FIRE S-CASUALTIES

Royalton, Minn.—Fire destroyed the Allbright Elevator.

Valley City, N. D.—Fire damaged the Faust Elevator recently.

Stockton, Kan.—The elevator of the Bigge Grain Company burned.

Hartford, Ky.—Fire destroyed C. B. Hardon's flour and feed mill.

Plover, Wis.—Fire damaged the warehouse of the L. H. Pierce Feed Store.

Galt, Mo.—Fire destroyed the D. H. Clark Elevator with a loss of \$20,000.

Hamlin, Kan.—Lightning damaged slightly the elevator of Kanel & Miller.

Strawns Crossing, Jacksonville, Ill.—F. J. Blackburn's elevator was burned on September 13.

Cement, Okla.—Fire destroyed the elevator of the W. O. Parker Grain Company. It will be rebuilt.

Ivanhoe, Minn.—The Farmers Elevator was damaged by fire. The loss is partly covered by insurance.

El Monte, Calif.—A shed belonging to the Nicholls-Loomis Grain & Milling Company burned on October 1.

Lethbridge, Alta.—The Ogilvie Elevator was struck recently by lightning and completely destroyed.

Adrian, Mich.—A large hay warehouse of the Cutler-Dickinson Company here burned with a loss of \$8,000.

Seguin, Tex.—Fire of unknown origin destroyed the large warehouse of the Citizens Mill & Brokerage Company.

Peebles, Ohio.—Fire destroyed on October 1 the grain elevator of Kener & McGovney. The loss amounted to \$6,500.

Alton, Iowa.—The Gasper Stockler Elevator burned with a loss of \$12,000. The Farmers Co-operative Elevator nearby was saved.

Ogden, Utah.—Slight damage was done by fire of unknown origin to the plant of the Globe Grain & Milling Company on September 16.

Bowman, N. D.—The elevator managed by N. B. Davis, together with oats, barley, flax and wheat burned. The loss is covered by insurance.

Lamberton and Rever, Minn.—Lightning struck two elevators of the Eagle Roller Mill Company on September 23 and damaged both slightly.

Elk Mound, Wis.—On October 1, the Round Elevator of the Elk Mound Elevator Company was destroyed by fire which originated in the basement

near the motors. The fire spread to the warehouse, but was checked before it did damage here.

Redding, Calif.—Fire, which started in hay at the rear of the warehouse of the Redding Feed Company, destroyed the building on September 11.

Wilsey, Kan.—On September 14 a small loss was sustained by the Farmers Union Co-operative Association due to spontaneous combustion of coal.

Pasadena, Calif.—Fire destroyed the hay and grain storage warehouse on October 1 with a loss of \$5,400. The insurance carried amounted to \$1,200.

Appalachia, Va.—Fire destroyed the building occupied by A. P. Hammond, and feed, grain and coal were destroyed. The insurance partly covers the loss.

Newellton, La.—The seed house, gin and cotton house of the Newellton Elevator Company were destroyed by fire on September 18 with a loss of \$25,000.

Magnolia, Ark.—Fire destroyed the building and stock of the Williams Grain & Produce Company with a loss of \$4,000. It is completely covered by insurance.

West Jefferson, Ohio.—Fire destroyed the elevator here with 1,200 bushels wheat, 500 bushels corn, 300 bushels barley and 5,000 bushels oats. It will be rebuilt.

Eburne, B. C.—Fire destroyed the flour mill, two small elevators and grain warehouses of the Easterbrook Milling Company. E. T. Easterbrook is president of the company.

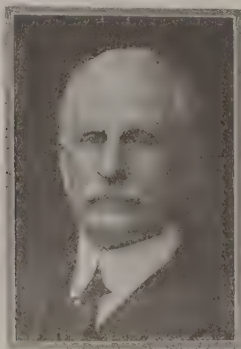
Oklahoma, Texas.—Fire which originated in a box car standing near the elevator of the Wichita Mill & Elevator Company communicated to the detached office and destroyed it.

Shenandoah, Va.—Fire destroyed on September 27 the elevator and 600-barrel mill of the Shenandoah Milling Company. A large stock of wheat and flour was destroyed. It is covered by insurance.

East San Gabriel, Calif.—A small detached warehouse belonging to the Valley Feed & Supply Company was destroyed by fire on September 25. Another larger warehouse was only slightly damaged.

Willis, Kan.—The Farmers Union Elevator, managed by G. L. Dodd, burned, together with contents, including 4,000 bushels wheat and 3,200 bushels corn. Insurance of \$8,000 was carried on the grain and \$6,500 on the building.

Garvin, Minn.—The Farmers Elevator in this city was destroyed by fire on September 27, together with 17,000 bushels of grain with a loss of \$15,000. The company has opened new offices in its other



THE LATE B. C. CHRISTOPHER

pher & Co. He had been active in the grain business for 50 years and was president of the Board of Trade in 1903. His widow and five children survive him.

DAVIS.—Earl M. Davis, manager of the Hoopeson, Ill., grain commission office of J. C. Shaffer & Co., died recently.

DENNIS.—Oscar J. Dennis died, aged 76 years old, at his home in New York. He was a veteran hay and grain merchant for nearly 53 years. Two daughters survive him.

DOANE.—George R. Doane died on September 28 at a Boston hospital. He was a prominent member of the grain, feed and hay trade at North Brookfield, Mass.

EICHORST.—Charles Eichorst died suddenly on September 22. He was joint owner with John W. Reinhart of the elevator of Eichorst & Reinhart at Pesotum, Ill.

HALL.—William S. Hall died on September 11 at his home in Hasbrouck Heights, N. J. He started in the hay and feed business as a boy with his father and at the time of his death was president of the business incorporated as the William Hall Company, Inc.

HOWELL.—Joe L. Howell of Hamden, Ohio, a member of the feed and flour firm of Howell & Christian died on September 10 at the age of 37 years.

HATCHARD.—Thomas H. Hatchard died on September 23. He was formerly prominent in grain circles and lived at Winnipeg, Man. In Winnipeg he formed the Colonial Elevator Company. Follow-

elevator north of the one destroyed by fire, and it has not yet been decided whether the other one will be replaced.

Springfield, Mo.—The cereal, corn and feed mill of the Springfield Flour & Feed Company burned with a loss from \$50,000 to \$60,000. While some stock was destroyed, most of the flour and feed was in a detached warehouse and was not damaged.

Reading, Ohio.—Fire on September 26 destroyed

completely the large grain elevator and warehouse of Edward Koehl here with a loss of \$55,000. The elevator and warehouse contained large quantities of millfeed and other grains. New machinery had just been installed and this and other equipment were entirely ruined. The fire appeared to start near the garage of the company and spread rapidly. A statement has not been issued as to whether or not the elevator will be rebuilt.

HAY, STRAW AND FEED

A feed mill is being built at Titonka, Iowa, for the Hutchison Bros.

Everett Jones has bought the feed store of Lee Carson at Newhall, Calif.

The new feed mill of George Perry at Centuria, Wis., has been completed.

The feed store of L. Galloway at Sargent, Neb., has been bought by Clyde Sullivan.

A feed and flour business is to be conducted at Prairie Grove, Ark., by W. R. Dodson.

The new two-story warehouse of the Delta Feed Store of Delta, Ohio, has been completed.

The flour and feed business of Anton Hejzmanek at Clarkson, Neb., has been bought by F. Rosickt.

A one-story brick building is to be erected at Lawton, Okla., for the Miller Feed Stores Company.

The old grist mill at South Shawano, Wis., has been opened by the Shawano Flour & Feed Company.

The feed mill of R. M. Holt at Yates City, Ill., is being improved by the addition of a new stock room.

A feed store has been established at 6193 E. Washington Street, Indianapolis, Ind., by C. O. Enochs.

Capitalized at \$12,000, the Mohrsville Feed & Supply Company has been incorporated at Mohrsville, Pa.

A seed and feed business has been opened at Beverly Hills, Calif., by the Diether Feed & Seed Company.

Clark & Williams of Odem, Texas, have installed a feed and flour department to furnish these products by the carload.

G. D. Edwards is now manager of the Benton Wholesale Flour & Feed Company which has been formed at Benton, Ark.

The Winer Feed Company, Inc., of Chattanooga, Tenn., has been liquidated and has retired from the seed and feed business.

The feed business of the Hayward Lumber Company of Escondido, Calif., has been bought by the Escondido Poultry Association.

The name of the Consumers Grocery Company of Augusta, Ga., has been changed to the Consumers Feed & Seed Company.

The Star Mill & Elevator Company of Hennessey, Okla., is installing machinery for the manufacture of stock feeds and poultry mashers.

A feed and seed store and warehouse are to be built at Topeka, Kan., for Burton Hill. It will be of stone and brick and will cost \$7,000.

The Bartlett Feed & Lumber Company of Elgin, Ill., has been sold at a bankruptcy sale to Louis Heiske and Henry W. Holt of Lombard.

New equipment has been ordered by the Idaho Alfalfa Milling Company of Payette, Idaho, to be in readiness for grinding the first of October.

The Thomas Southard Company has been incorporated at St. Joseph, Mo., to deal in poultry feeds and supplies. Thomas Southard is the incorporator.

A two-story building is to be built at Mt. Vernon, Ill., for the Willis Feed Company. A general feed and seed wholesale line will be continued by the firm.

Articles of incorporation have been filed by John O. Patterson as the Pan-American Feed Company of Kansas City, Mo. The capital stock of the firm is \$100,000.

Additional property has been bought by W. H. Joslin, manager of the Edmonds Feed Store of Edmonds, Wash., to allow the extension of his business.

A new two-story feed mill is being erected at Richmond, Mich., by A. W. Miller of Detroit. It will be operated as the Richmond Feed & Grain Company.

The mill of the Geis-Price Elevator Company at Enid, Okla., which has been used for grinding chop is to be enlarged to include the manufacture of chicken feed.

Aylsworth & Thompson of Prophetstown, Ill., are

remodeling their feed mill and installing new motors, machinery, elevators, control boxes and switch panel. The machinery was bought from Sprout, Waldron & Co.

W. W. Lehwah has opened a store at Lane, Kan., for the Osawatomie Feed, Fuel & Grocery Company. It will be operated under the management of J. S. McQueary.

A wholesale flour and feed house is being built at Clarksburg, W. Va., for Mr. Randolph, former owner of the Salem Flour & Feed Company of Salem, W. Va.

The partnership of Harvey & Raisbeck, Cuba, Wis., who conducted a coal, feed and produce business has been dissolved. Mr. Harvey will continue the business.

Construction work on the new warehouse of the Mt. McKay Flour & Feed Company, Ltd., Fort William, Ont., replacing that destroyed by fire recently, has commenced.

The feed business of G. G. Melsan Company at Ladysmith, Wis., including stock of grain, feed, seed and machinery, has been bought by Dan Kammer and H. E. Wilk.

C. Colbert, J. Robinson and Winnie Robinson have incorporated at Oklahoma City, Okla., as the Packington Coal & Feed Company. The firm is capitalized at \$5,000.

The Purina Feed Products Company at El Paso, Texas, has been acquired by Bishop & Rosser. The company handles special feeds for poultry and stock, hay and grains.

The Huber-Smith Hardware Company and the S. K. Davis Feed Company of Searcy, Ark., have consolidated and in the future will operate the combined business as the Smith & Davis Mercantile Company. The firm is capitalized at \$50,000.

Equipment is being installed in the plant of the J. J. Badenoch Company, mixed feed manufacturers of Chicago, Ill., for doubling the grinding capacity for molasses dairy feeds and horse feeds. The equipment will include a molasses feed mixer of the company's own design; modern molasses feed

scale, three Robinson sifters, one Robinson attrition mill, one large size B. F. Gump Company's Bar Nun Mill, Allis-Chalmers and General Electric motors adding 200-horsepower to the company's facilities.

A branch office has been established at Lubbock, Texas, by the Universal Mills, manufacturers of feeds at Oklahoma City, Okla. It will be in charge of Clyde C. Whiteley.

A feed store has been opened at Port Orchard, Wash., by the Funk Transfer Company, Inc., with Philip Funk in charge. A complete line of hay and feed will be carried.

The Kellogg Company of Battle Creek, Mich., has completed a four-story building to be used in the manufacture of dairy stock feeds, with capacity of 30 carloads of feed per week.

W. C. Brown & Co. have taken over the hay firm of Toberman Mackey & Co., of Kansas City, Mo. The new owners will continue to do a receiving and shipping business.

The feed and grocery business of A. W. Stroud at Morrilton, Ark., has been bought by F. H. Mitchell of Clarendon who will operate as the F. H. Mitchell's Grocery & Feed Store.

Capitalized at \$15,500, the A. & B. Feed & Seed Store was incorporated at Edwardsville, Ill. The incorporators are John A. Fruit, Lily D. Fruit, Louis C. Ahenbrink and John A. Buhle.

The Arkoma Milling Company has been formed at Fort Smith, Ark., with Joseph Bond, general manager, to handle flour and feed. It occupies the plant of the Western Grain Company.

Henry M. Brouse has resigned his position with Perin Brouse & Skidmore at Cincinnati, Ohio, as secretary-treasurer and is associated with the Transit Milling Company, a feed concern.

The Blytheville Feed & Coal Company has been incorporated at Blytheville, Ark., capitalized at \$20,000. J. H. Weber is president; L. B. Adams, vice-president; J. W. Adams, secretary-treasurer.

Capitalized at \$25,000, the Concentrate Products Company has been incorporated at Chicago, to manufacture and deal in poultry and stock feeds. F. S. Brooks, R. C. Johnson and H. Miller are

To handle cereals, forage feeds and foodstuffs, the Kato Sales Company has been incorporated at Buffalo. The members of the firm are Fred M. Kenyon, Harry P. Maxson and Frank B. Anderson. The firm is capitalized at \$200,000.

The capacity of Massey & Sons, feed millers at Norman, Okla., is to be doubled and a line of chicken feed is to be manufactured in addition to dairy feed, corn chops, and barley meal. E. L. Massey and C. A. Massey are in charge of the business since the retirement of their father.

The feed store at Hillsboro, Ill., formerly owned by Roy Ware, has been bought by his brother, Frank Ware, of Butler. The Ware Bros. bought the feed store 11 years ago and Roy Ware has been in charge since then. Frank Ware bought an elevator at Butler, which he has been conducting for 11 years.

TRANSPORTATION

CHARGE CANAL CRAFT GRAFT

That an attempt was made to "corner" the available supply of canal craft with a view to forcing wheat shippers to bid higher for Buffalo-to-tidewater service, is the charge made recently in the *Buffalo (N. Y.) Evening Post*. Six cents was offered, the story claimed, while 7 cents was wanted for the tonnage rate. The paper declared 103 barges were tied up as the result of being forced to wait for wheat which did not arrive. The charge was denied by parties who chartered the craft. Unavoidable delays, they said, in shipping 600,000 bushels of wheat owned by the Canadian Co-operative Wheat Producers, Ltd., were responsible for the canal craft losing time at the Buffalo end of the route.

INDIANAPOLIS EXCHANGE CASE DROPPED

Attorney-Examiner Disque of the Interstate Commerce Commission has recommended the dismissal of the "unreasonable rate" charges brought by the Indianapolis Board of Trade against the Louisville & Nashville Railroad and other lines. The grain rates applying through Indianapolis from stations on the Chicago & Eastern Illinois Railroad, on shipments bound for Louisville, Ky., were stated by the examiner not to be "unreasonable, unjustly discriminatory, or unduly prejudicial." The Louisville Board of Trade and the Evansville, Ind., Chamber of Commerce intervened to oppose the relief sought. Mr. Disque said the defendants showed that the rates assailed were low compared to rates from the same points or origin to points in

Ohio and Michigan for similar distances. He said the allegations of the complaint had not been sustained.

HOCH SPEAKS MIND ON HOCH-SMITH RESOLUTION

Representative Hoch, of Kansas, author of the original Hoch rate revision resolution which was later merged into the much discussed Hoch-Smith Resolution, has issued the following statement with respect to the petition of western carriers for increases:

In support of their application for freight increases the railroads hang their whole case upon the contention that they are not earning the 5% per cent contemplated by the law. They argue that, if the western lines, as a whole, are not earning this "fair return" the Commission has no option but to grant increases. That is not the law, and if the railroads make that interpretation of the law stick, they will put dynamite under the "fair return" section of the law which they support so earnestly.

Is the question of whether the roads are making a "fair return" the only question the Commission has to consider? Certainly not. Whether receiving "fair return" or not the Commission has no power to effect anything but "just and reasonable" rates. The very section which deals with "fair return" to the railroads is based solely, by its very terms, upon the power of the Commission to put in "just and reasonable" rates. Just and reasonable to whom? To the railroads alone? Are the rights of the shippers and of the general public of no moment in determining what are just and reasonable rates? In testimony before the House committee, members of the Commission and others supporting the "fair return" section have repeatedly insisted that it in no way changed the law which makes all "unjust and unreasonable" rates unlawful.

I am not speaking now of the important question

of honest valuation upon which to figure fair return on investment, to the railroads, nor the serious question of the soundness of the present policy which groups the so-called weak and strong lines, the well managed and the poorly managed, the fortunate and unfortunate roads together for rate making, with the avowed purpose of maintaining, in the public interest, the weak lines. Incidentally, however, attention may be called to the utter inconsistency of those strong roads which have insisted upon the "fair return" provision of the law, but which have fought and are obstructing the other provision under which half of their "excess earnings" is to be taken or "recaptured" for fostering the weak lines. This "recapture of excess earnings" is an essential part of the "fair return" section and without it the latter would have had no chance whatever of passage. If the strong roads succeed in nullifying the "recapture" provision their "fair return" section will be blown up. There need be no mistake about that.

HOCH-SMITH RATE HEARING

The Hoch-Smith investigation is yet in its preliminary stages. The revamping of the railroad freight tariffs will continue to be sought by rail attorneys during the full course of the hearings. If looked upon favorably by the Interstate Commerce Commission, the new rates will mean bigger freight bills for the grain trade as well as for nearly all other shippers.

The first hearing before the Commission, presided over by Chairman Aitchison, took place at the Edgewater Beach Hotel, Chicago, Ill., on September 11. That the carriers in the Northwest need something over and above the proposed increase of 5 per cent in rates was the statement of an attorney representing holders of northwestern railroad issues, valued at \$247,000,000.

He said he would put witnesses on the stand to show a lack of confidence in securities of the carriers in the region designated and to show that such lack of confidence was due to the low rates. He said that, to fix rates without regard to whether the result was calculated to attract or repel capital, would be to leave out of account what was, perhaps, the most relevant factor of all.

One witness called, T. A. Hamilton, former vice-president of the Frisco lines, testified that in the four years since the termination of Federal control, the St. Paul, the Great Northern, the Northern Pacific and the Chicago & Northwestern so reduced their costs of freight train operation and so increased the tonnage of their freight trains that in 1924, from these two economies alone, they made an aggregate saving of \$28,000,000, but in the same four-year period their freight rates were so reduced that their 1924 gross revenues shrank \$64,000,000 or two and one-quarter times their savings from improved efficiency of operation. The last part of his testimony showed that returns for the western group of roads, as a whole, was below the 5% per cent allowable.

Representatives of the Rock Island and Santa Fe put on the witness stand bankers, economists and statisticians to declare that the farmer's economic suffering was largely mythical, and that an upward revision of the grain rates would not produce hardship. George E. Roberts, vice-president of the National City Bank, New York City, a witness, suggested that the present high price level was here to stay. Railroad attorneys made a note of that.

Toward the end of the four-day hearing, H. E. Byram, receiver for the Chicago, Milwaukee & St. Paul Railroad, appeared before the Commissioners. He said the present financial troubles of the road he represented were not due to any weakness peculiar or inherent in the property, but were due to conditions which had limited its earning power in common with other western carriers generally and those of the Northwest in particular. In ending his testimony, Mr. Byram slipped into an argumentative vein, saying that it was believed that the earnings of the roads, submitted as evidence, would establish conclusively an exigency in railroad affairs, and at that point Chairman Aitchison stopped him. His attorney said the witness had only a paragraph more to read, but the chairman said he did not care whether there was only a sentence left. It was argument, he said, and should be left until time for that at Washington.

Without mentioning the Potter plan, Mr. Byram then announced that he was done with what he had to say. John E. Benton rose and asked whether or not the witness supported the request for a 5 per cent increase, and Mr. Byram replied that he supported an increase, but thought 5 per cent was not enough, and launched into the Potter plan, which he offered to the Commission as a solution for the whole problem of western rail rates and revenue. Attorneys for the stronger western railroads raised objections to this, but to no avail. As he submitted the outline of the Potter plan, Santa Fe attorneys and other counsel registered their customary indignation and regret.

Mr. Byram explained that through this plan, it was proposed that instead of a flat 5 per cent increase, an increase of that amount be segregated and pooled from the amount gained that way, a distribution be made to roads earning less than 5% per cent, in the West, in proportion as they failed to earn that amount. The nearer they came to earning 5% per cent, he said, the less they would get as their share of the pool, and the farther they came from earning that amount, the more they

would get. To start with, he said, net operating income for 1924 of each road would be used as a basis for figuring their needs. After that, the computing would be done each year on the basis of the previous year. No road earning more than 5% per cent, he said, would get anything from the pool. He said that was all he had to offer about the plan, aside from a chart as an exhibit illustrating how the roads would share in the pool.

In answering a question as to whether the plan meant that voluntary reductions in rates would not be made if the roads were ever prosperous enough for that, he said it did not mean that. Then he was asked as to the effect of the plan on roads outside the district, and he said that roads outside the western district could not be bound by something in which they did not share. He used the words "unless the plan applied nationally" other roads would not share, and said "that might happen."

Chairman Aitchison inquired as to who would administer the fund, and Mr. Byram replied that either some central authority, possibly a representative of the Commission, or, if the Commission thought advisable, of the carriers themselves. The chairman asked which value would be used in computing earnings, pointing out the act employed the word "value" and that the witness had said nothing about it. Mr. Byram said that the investment value would be used until the Commission had fixed the value of the roads.

The favorable reception of the Potter plan, though not of course officially announced, is probably the feature of the investigation so far.

FIELD SEEDS

(Continued from Page 272)

pounds are expected compared with 800,000 pounds last year.

Harvesting of the crop in southeastern Missouri began September 2-10, about a week earlier than last year, but was not expected to become general until the latter part of this month. Harvesting in southern Illinois probably will not begin until about October 1. One-third or more of the crop in California had already been sold by September 19.

Prices offered to growers about that date were mostly \$3.25-\$3.50 per 100 pounds in Missouri and \$4.10-\$4.25 in California.

Carryover of old seed by growers and country shippers is small but it is understood that somewhat larger stocks than normal are being carried at a few large distributing points. Present demand is slow but is expected to pick up considerably when the main movement of the crop occurs.

Imports of sunflower seed have been small. The 1925 crop in several European countries is expected to be good. The crop in Argentina was smaller than usual and not much remains for export. Importers are offered European or Argentine seed at \$2.50-\$3.50 per 100 pounds c.i.f. New York (i.e. \$4.50-\$5.50 duty paid).

CLOVER CONDITIONS AT TOLEDO

By S. M. BENDER

Clover seed has shown great strength the past month with October especially showing its heels to other options. Aggressive buying power from seedsmen and outside investors advanced Clover more than \$2. Late rains delayed hulling of Clover in many sections and caused some losses. Profit-taking and hedging sales have been readily absorbed by buying that was sturdy to say the least. October is selling at a big premium due to the scarcity of cash seed. French reports say their crop will be good quality but delayed by rains, just as ours has been. Hedging sales have been small so far, but may increase when more seed is available. Recent official estimates showing the crop to be 10 to 20 per cent above the small crop

of last year did not have much effect on the market. There was an increase of about 5 to 10 per cent in the acreage cut for seed and the yield per acre. Offerings have been quite light at times and bidding spirited. The open interest is not large in October, but is in strong hands. Farmers may not be good buyers if prices get too high, so dealers are hoping they will not get out of line with the real value. October is usually a month of heavy receipts, but may run below the average this year.

Alsike production was slightly below that of last year, according to official estimates. Our smaller crop was offset by larger production in Canada. Prices have been ruling firm, though the trade is light. The dry, hot weather during the spring stunted the growth in most sections. The carry-over was small, owing to the lively demand last spring, and many dealers have had to or will replenish their stocks with the new seed. Timothy has been active and has shown strength at times. A good demand on declines is noted. The Government estimates that about 75 per cent of the crop has left growers' hands. Heavy deliveries on October contracts up to date.

BLUEGRASS SEED GOES FAST

A report from the Department of Agriculture states that 90 per cent of the Kentucky Bluegrass seed crop in the western (Missouri) district is out of the growers' hands. The movement was quicker than usual and growers were even freer sellers than last year, when the movement was above normal. In the Kentucky district, however, growers have been holding for higher prices and the movement has been below normal and slower than last year. Twenty to 25 per cent of the crop is estimated to have been sold by growers up to August 18.

Prices offered to growers in Kentucky on that date averaged 45 cents per bushel less than in the western district. Growers in Kentucky were offered \$1.75-\$2 (average \$1.85) per bushel for rough, cured seed, while in Missouri they were offered \$2-\$2.50 (average \$2.30). The Kentucky prices averaged about 15 cents more and the Missouri prices about 50 cents more per bushel than last year in the respective states.

URGES NATIONAL COMBINE OF SEED ASSOCIATIONS

The need of seedsmen for one big national organization, with headquarters in some middlewestern city, was stressed by Clarence K. Jones, secretary of the Wholesale Grass Seed Dealers Association, in his talk before the Southern Seedsmen's Association, meeting in Memphis, Tenn. An excerpt from his speech, which was well received, is given here:

We have in the United States a number of seed trade associations. Of course, the Southern Seedsmen's Association comes first. The American Seed Trade Association, the Wholesale Grass Seed Dealers Association, the associations of California, Iowa, New England and various others. Nearly all are organized along the same lines, and for the same general purposes. And yet, full strength is not developed because of lack of union. It is true that local or sectional problems can be best solved by local representation, but the local problems are comparatively few in proportion to many big problems local organizations cannot handle. There are no trade secrets in the seed business. I grant you, there was a time when the seedsmen was a real artist when it came to mixing seeds. My first employer was a seed merchant of the old school—fairly successful in his line—and a master hand at mixing seed. He frequently would say: "It's not what you take out of Clover seed that yields a profit, it's what you can put in it without it being seen." Now things have changed. Old methods have passed away—all things have become new.

We need one big national organization with headquarters in a city in the Middle West, with its offices open every working day of the year. All of its activities should emanate from one place. It should maintain on full time pay a competent legal staff, crop investigators, weather bureau, seed testing laboratory and possibly a broadcasting station.

The whole should be controlled by a competent

North American Seed Co.

Wholesale Grass and Field Seeds

Milwaukee, Wis.

"THE HOUSE OF QUALITY"

Exporters

Importers

Nungesser-Dickinson Seed Co.

NEW YORK, N. Y.

Wholesale Seed Merchants

Buyers and Sellers

Timothy, Red, White, Alsike and Alfalfa,
Clovers, Redtop and Millet Seeds

SEEDS

BETTER SEEDS; BETTER CROPS

PRUNTY SEED & GRAIN CO.

9 South Main St. SAINT LOUIS



BUYERS—SELLERS, FIELD SEEDS

ED. F. MANGELSDORF & BRO.

Wholesale Field Seeds

First and Victor Sts., St. Louis, Mo.

board of directors. Each director should represent some section of the United States. I neglected to suggest, too, a good dyed-in-the-wool politician might be a good addition to the general staff. Preserve the local organizations referred to, but make them parts, chapters, of the one big national organization—each organization having a part in defining the policy, the government and the general activities of the major association.

No truer maxim than "In Union There Is Strength." The idea is not new. I am advising you to accept a plan already instituted by the agricultural interests in our country, a plan accepted by the farm element as an idea fostered and encouraged by the United States Government. It's time to stop, look, listen and act before our own institutions are seriously affected. Co-operation of every seed dealer in the United States is necessary. I believe today there is no industry in the world that can boast of higher quality men in its ranks, no industry can boast of greater brain power, and few industries yield smaller cash returns for labor than the seed business.

Thorough organization would remove the speculative element that whitens our hair and calls the seedsmen to that undiscovered country before his mind is half made up.

NEW SEED TRADEMARK

The following seed trademark was published in a recent issue of the *Gazette of the United States*

SAFESEED

Patent Office: "Safeseed" seeds. Safeseed, Inc., Chicago, Ill. Filed August 18, 1924. Serial No. 201,587.

BULLETINS FOR SEEDSMEN

"Seed Analyses, 1921 and 1924" is the title of bulletin No. 226, which has recently been published by the Iowa Agricultural College. Copies of the bulletin may be obtained by writing to the college at Ames, Iowa. Another bulletin of especial interest to seedsmen, is one recently published in England.

Sutton & Sons, Reading, England, have just distributed a bulletin (No. 14) entitled, "Red Clover and the Possibilities of Improved Strains by Breeding." The bulletin was prepared by Martin H. F. Sutton with D. J. Columbus Jones as collaborator. It is a creditable piece of scientific work and should be of interest to all seedsmen. The bulletin is well illustrated.

CLOVER SEEDS STRONG

Clover seed ruled strong again this week, all futures reaching new high levels. October sold up to \$18.50, December \$16.25, March \$16.10. October increased its premium over deferred futures. There was short covering, due to recent rains in some sections, which has delayed hulling. Offerings were light, although they increased on the advance. Many longs accepting handsome profits, also fresh hedging sales. Foreign selling of deferred futures

in evidence on bulges. Market may be held in check by increased hedging pressure. Many will substitute cheaper seeds, such as Sweet Clover, Alfalfa and Alsike. Receipts of Clover this week 296 bushels, shipments 42.

A large Indiana dealer writes: "It seems that domestic Clover is selling at pretty high prices. We have been buying quite a little seed from country dealers in Ohio. Competition has been keen and we have had to pay some high prices for it. Prices there, however, have not been as high as they are through the West. Prices being paid for Clover in Idaho are way above anything we have ever known before. We mean in comparison with the Toledo market."

Alsike scored sharp advance this week. Good demand, with offerings light.

Timothy ruled easier. There were heavy deliveries on October contracts.—*Southworth & Co., Toledo, Ohio. Market letter of October 10.*

SEED YIELDS LOW IN IDAHO

J. H. Jacobson, state agricultural statistician for Idaho, has reported that the acreage of Alfalfa seed for harvest this year is 16,380 acres, 10 per cent less than the 18,200 acres harvested in 1924. The average yield is judged at three bushels, or 180 pounds, to the acre, making a total estimated production of 3,108,000 pounds. Last year's total was greater by 2,000,000 pounds and over. This year's light crop is due, Mr. Jacobson believes, to heat damage in the important Twin Falls-Rogerson-Roseworth section. Blooms in fields in this territory were in many cases blasted to such an extent that crops were cut for hay—salvaged, in another word.

The average outlook for Idaho's Red Clover seed harvest is not encouraging either: A total of 11,200 acres, or 80 per cent of the 14,000 acres harvested last year, is predicted. The reduction is attributed to winter-killing. There was considerable loss of seed.

(Continued on Page 281)

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Miscellaneous Notices

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able damage from honeydew last year and the acreage yield was three bushels per acre. This trouble seems absent this year and a four-bushel yield is forecast, making total production 2,888,000 pounds from the smaller acreage, against 2,520,000 pounds in 1924.

RED AND ALSIKE CLOVER SEED MOVE QUICKLY

Imports of Red Clover seed since July 1 have been smaller than last year's, while Alsike Clover imports were larger. Red Clover imports from July 1 to September 30 were only 28,900 pounds, compared to 165,600 during the same period last year. Considerable seed probably will be available for export from France. The production there is expected to be above normal. The Italian crop is probably normal or above. A fairly good crop is reported for southern Germany, Hungary, Czechoslovakia, and Rumania. The crop in northern Germany and in portions of Poland is not so promising because of rains the latter part of August and first week or two of September.

SEEDSMEN STRIKE OIL

It isn't every seedsmen that can have an oil well for a sideline, but the following account shows that such a thing is possible. The oil well drilled in the Allendale oil field in Illinois by H. R. Risley, in association with other seedsmen, has come in with a strong flow of oil. A two-inch pipe was attached to carry the oil to a pipe line nearby, but the two-inch pipe proved insufficient to carry all the flow so until a larger pipe is installed the flow cannot be definitely determined.

The oil sand was struck at 1,371 feet and the drill was sent 19 feet into the sand. The well was not shot, as the sand is free and open and gives up the oil freely. The well is reputed to be the best one so far in the Allendale field and has created a sensation among the local oil men. Another well is to be put down on this lease as soon as possible.

CZECH SEED

An important part in the progress now being made in the European seed world, is the seed industry in the republic of Czechoslovakia. Prominent among those Czech companies engaged in the production and distribution of seeds, is the firm of Jakob S. Schon, Ltd., of Brunn.

The seed growing station of this company, connected with the railway station by siding, consists of two buildings, one being three floors high, with large warehouses, modern cleaning machines with rubber cloths, picking tables and all necessary features for weevil destroying, which is of high importance, for as weevils are destroyed in the peas immediately after the harvest, the crop is not damaged at all. The second house is the mansion house, where are lodgings and offices for employees and laboratory of the agricultural engineers, where testings and scientific investigations are made. The fields are continually controlled by experienced

experts and are carefully rogued during the growing period.

The chief kinds of peas planted in this season are the following: "Earliest of All Alaska," "Early May," "American Wonder," "Telephone" and "Senator," which this year, already considerable quantities will be brought on the market. Beans are: "Sugar Butter Brech," "Negro Early Forcing" and "Yellow Princess Bean," all very productive.

CANARY SEED PRODUCTION

Producers of canary seed in Australia market by pool and are paid for delivered seed in a series of "advances". The *Queensland Producer* states that the pool has just made another payment to members, which relieves them, temporarily at least, of any misgivings as to the economy of pool selling. At a meeting of the pool board, a "second advance" amounting to £10 per ton on all seed of standard quality, was authorized. This, together with the first advance, issued last February, makes a total payment to date of £22 10s. per ton clear to the grower. The board still holds some stock which it hopes to dispose of at a figure which will permit a third payment.

A modern seed house is to be built at Beaver City, Neb., for S. J. Franklin.

The Todd & Kraft Company has added a field and grass seed department at Des Moines, Iowa.

A new cleaner for handling Alfalfa seed has been installed by George Tingley & Sons of Myton, Utah.

The old warehouse building of Wood, Stubbs & Co., of Louisville, Ky., has been sold to a storage concern.

A new one-story building is being erected at Plant City, Fla., for the Kilgore Seed Company, at a cost of \$10,000.

A one-story brick storehouse, costing \$6,000, is being built at Texarkana, Texas, for the Word Seed Company.

A branch store has been opened at Bloomfield, Ky., by J. A. Bennett, seed and implement dealer of Taylorsville, Ky.

A large seed and cleaning house is to be built at Bristol, S. D., for H. F. Hansmeier, to be used in connection with his seed business.

The Grand Junction Fruit Growers Association has bought the property of the William Uttermann Seed Company at Grand Junction, Colo.

The Satex Seed Company, Inc., has been incorporated at San Antonio, Texas, capitalized at \$60,000. Max Grimm, Albert Grimm and Wayland Layne are interested.

The Northwest Seed Company of Seattle and J. A. Boyce have leased a warehouse at Mt. Vernon, Wash., and machinery is to be installed for cleaning seed.

On December 1, Frank Tagart will become associated with the Wm. A. Ward Seed Company of Sacramento, Calif., as vice-president and sales man-

ager. Mr. Tagart has for several years been with the Earp-Thomas Cultures Corporation of Long Island City, N. Y.

A tract of land adjoining its plant has been bought by the J. G. Peppard Seed Company of Kansas City, Mo., to be used as a site for further development.

A brick and concrete addition has been completed to the warehouse of Henry Hirsch at Toledo, Ohio. Monitor machinery has been installed.

The Farber Seed Company of St. Joseph, Mo., has bought the property of the Growell Seed Company at Waterloo, Iowa, of which F. L. Northey was proprietor.

O. S. Wilson is now with the Standard Seed Company of Des Moines, Iowa. He was formerly associated with the Blatchford Calf Meal Company of Waukegan, Ill.

The Patton & Browning firm were organized at Idaho Falls, Idaho, to operate a bonded seed cleaning plant. Clover and Alfalfa seed and peas are to be handled.

A. M. Eldridge is now in charge of the garden seed department of the L. L. Olds Seed Company at Madison, Wis. He was connected with the Iowa Seed Company of Des Moines.

Two additional stories are being built to the warehouse of Condon Bros., seedsmen of Rockford, Ill. The present storage space is being increased by about 20,000 square feet.

A new Alfalfa cleaning plant has recently been completed at Vernal, Utah, for the Peppard Seed Company. It now has three cleaning plants in Utah, at Delta, Roosevelt and Duchesne.

The plant of D. I. Bushnell & Co., at St. Louis, Mo., which burned, is to be rebuilt. The Essmuller Mill Furnishing Company has the contract for modern seed handling machinery, including cleaners, conveyors, storage bins and transmission.

The seed building which was occupied by the John Lewis Childs seed business at Floral Park, L. I., recently bought by another company, has been sold to the new company by Mrs. John Lewis Childs. The purchase price was around \$100,000.

A seven-story, fireproof warehouse is to be built at Minneapolis, Minn., for the Albert Dickinson Company replacing the buildings destroyed by fire a year ago. They will cost \$500,000 and will include a warehouse, elevator tanks and small office building.

The bid of the J. Bolgiano Seed Company of Baltimore, Md., for the property of the N. L. Willett Seed Company of Augusta, Ga., has been accepted by the creditors of the latter company. The Willett company went into bankruptcy some months ago.

A new warehouse has been completed at Green Springs, Ohio, for the O. & M. Seed Company of Cleveland, Ohio. It has a 35,000-bushel bin capacity. An Ellis Drier with 180 bushels per hour capacity, steam ear corn drier and A. T. Ferrell Clipper Cleaners are included in the equipment.

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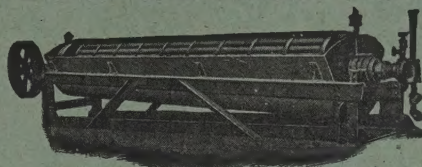
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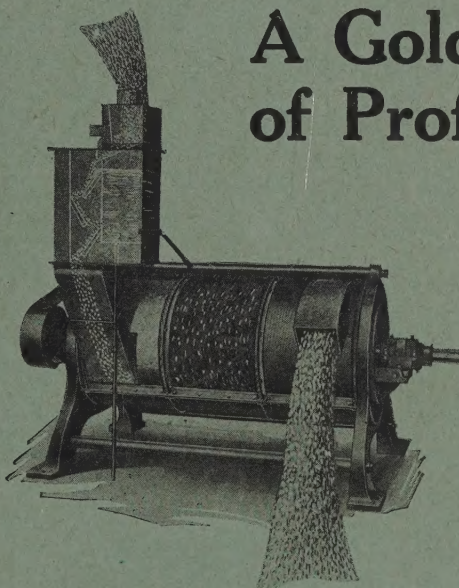
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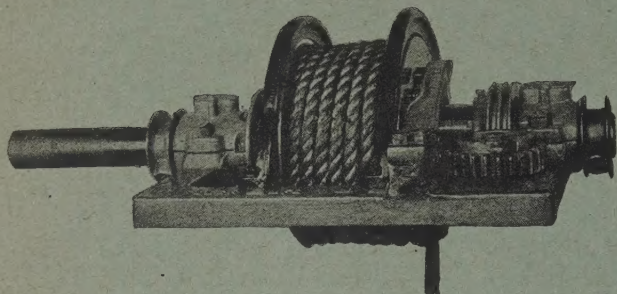
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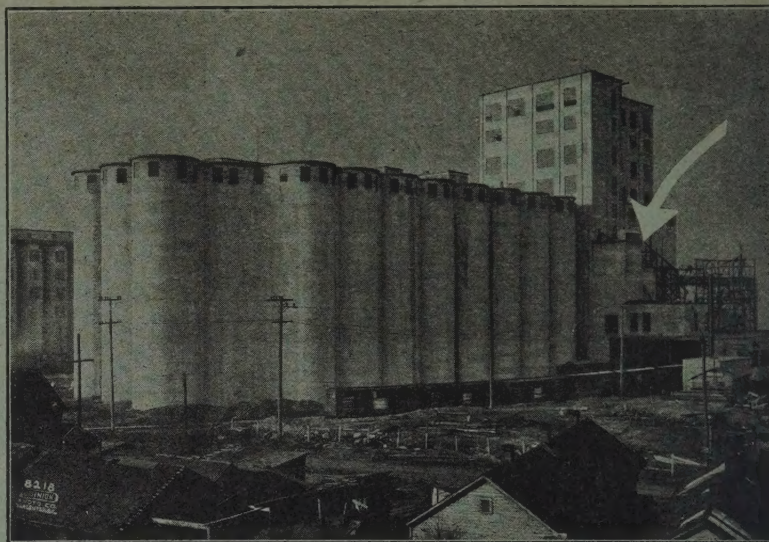
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